

Jennifer Wood
Mayor

Chuck McGuire
Mayor Pro Tem

Bill Smith
Council Member

James Gray
Council Member

Rick Warren
Council Member



AGENDA

CITY OF CALIFORNIA CITY SPECIAL JOINT MEETING OF THE SUCCESSOR AGENCY FOR THE CALIFORNIA CITY REDEVELOPMENT AGENCY AND THE CITY COUNCIL

Tuesday, December 22, 2015

Special Closed Session – 5:00 P.M.
Regular Meeting Starts – 6:00 P.M.

Council Chambers
21000 Hacienda Blvd.
California City, Ca 93505

If you need special assistance to participate in this meeting, please contact the City Clerk's office at (760) 373-7140. Notification of 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 American Disabilities Act Title II)

NOTE: Any writings or documents provided to a majority of the City Council regarding any item on this agenda is available for public inspection in the City Clerk's office at City Hall located at 21000 Hacienda Blvd, California City, Ca during normal business hours, except such documents that relate to closed session items or which are otherwise exempt from disclosure under applicable laws. These writings are also available for review in the public access binder in the Council Chambers at the time of the meeting.

LATE COMMUNICATIONS: Following the posting of the agenda any emails, writings or documents that the public would like to submit to the council must be received by the City Clerk no later than 3pm the Monday prior to the meeting. Past that deadline citizens may

Agenda
December 22, 2015

*****At this time, please take a moment to turn off your cell phones*****

5:00 P.M.
CLOSED SESSION

CALL TO ORDER

ROLL CALL

Councilmembers Gray, Smith, Warren, Mayor Pro Tem McGuire, Mayor Wood

ADOPT AGENDA

PUBLIC COMMENTS

Members of the public are welcome to address the City Council only on those items on the Closed Session agenda. Each member of the public will be given three minutes to speak.

CLOSED SESSION / CITY COUNCIL

CS 1. Pursuant to Cal Gov't Code §54956.9(d): Potential Litigation (1) Cases

CS 2. Pursuant to Cal Gov't Code §54956.94: Liability Claim – Jolly LLC

CLOSED SESSION / SUCCESSOR AGENCY

CS 1. Pursuant to Cal. Gov't Code Section 54956.9(d)(1): Conference with Legal Counsel - Existing Litigation; City of California City; Successor Agency for the California City Redevelopment Agency v. Ana J. Matosantos, in her official capacity as Director of the California Department of Finance; et seq; Case No. 34-2013-80001501

REPORT OUT OF CLOSED SESSION

RECESS:

6 P.M.
REGULAR MEETING

CALL TO ORDER

PLEDGE OF ALLEGIANCE / INVOCATION

ROLL CALL

Councilmembers Gray, Smith, Warren, Mayor Pro Tem McGuire, Mayor Wood

CITY CLERK REPORTS / LATE COMMUNICATIONS

PRESENTATIONS

City Treasurer Middleton – November Report

STAFF ANNOUNCEMENTS / REPORTS

Police Chief Hurtado – Department Update

Agenda
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Public Works Director Platt – Department Update
Finance Director Rudy Hernandez – Department Update
Brenda Daverin – Parks and Recreation Update
City Manager Weil – City Updates

CIVIC / COMMUNITY / ORGANIZATIONS ANNOUNCEMENTS

PUBLIC COMMENT

This portion of the meeting is reserved for persons desiring to address the City Council on any matter not on this agenda, and over which the City Council has jurisdiction. Please state your name for the record and limit your comments to three minutes.

CONSENT CALENDAR

All items on the consent calendar are considered routine and non-controversial and will be approved by one motion if no member of the Council, staff or public wishes to comment or ask questions. (Public comments to be limited to three minutes) Roll call vote required.

- CC 1. CITY CHECK REGISTERS** dated through 12/17/15
- CC 2.** California City Fire Department: Uniform Regulations
- CC 3.** Finance Department Job Description: Data Processing/Analyst
- CC 4.** Finance Department: FY 2016/17 Budget Calendar
- CC 5.** California Emergency Management Agency (Cal EMA): Designation of Applicant's Agent Resolution for Non-State
- CC 6.** FTA Section 5311 Operating Assistance Agreement # 64BO15-00303
- CC 7.** California City Police Department: Acting Corporal

NEW BUSINESS

- NB 1. California City Kiosk Project** – City Manager Weil

Recommendation:

Council to discuss and approve the funding in the amount of \$1,744.52 to complete the project

- NB 2. Police Department: Proposed Purchase of Active Shooter Vests** – Chief Hurtado

Recommendation:

Council discuss, approve the purchase from Pro-Force

- NB 3. Finance Department: Discuss and Review Accounting Policies Manual** – Finance Director Hernandez

Recommendation:

Council discuss and provide direction to staff

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COUNCIL AGENDA

This portion of the meeting is reserved for council members to present information, announcements, and items that have come to their attention. The Brown Act precludes Council, staff or public discussion. Short staff responses are appropriate. The Council will take no formal action. A Council member may request the City Clerk to calendar an item for consideration at a future meeting, or refer an item to staff.

- 1) AB 1234 Reports
- 2) Council Items

Councilmember Warren
Councilmember Gray
Councilmember Smith
Mayor Pro Tem McGuire
Mayor Wood

ADJOURNMENT

AFFIDAVIT OF POSTING: This agenda was posted on all official City bulletin boards, the City's website and agenda packets were completely accessible to the public at City Hall at least 72 hours prior to the Council Meeting.

Denise Hilliker, City Clerk

California City, California 93505
TREASURER'S MONTHLY REPORT OF INVESTMENT
November 2015

The general investment portfolio consists of funds for operations, capital improvement projects (CPI), water rate stabilization, administration replacements and reserves.

General Investment Accounts	Balance on	Net	Balance	Percent
Updated Quarterly -->	10/31/2015	Transactions	11/30/2015	of Total
Local Agency Investment Fund (122)	\$ 1,509,787	\$ -	\$ 1,509,787	27.35%
Updated Monthly-->	10/31/2015		11/30/2015	
Kern County Investment Fund (20202)	\$ 4,009,936	\$ -	\$ 4,009,936	72.65%
Sub-Total Investment Accounts	\$ 5,519,723	\$ -	\$ 5,519,723	100.00%
General Operating Accounts	10/31/2015	Net Transactions	11/30/2015	
Bank of the Sierra -- General Checking	\$ 610,648	\$ 366,807	\$ 977,455	99.87%
Petty Cash - City Hall	\$ 500	\$ -	\$ 500	0.05%
Petty Cash - City Manager	\$ 200	\$ -	\$ 200	0.02%
Petty Cash - Fire	\$ 250	\$ -	\$ 250	0.03%
Petty Cash - Police	\$ 250	\$ -	\$ 250	0.03%
Petty Cash - Parks & Recreation	\$ 100	\$ -	\$ 100	0.01%
Sub-Total Operating Accounts	\$ 611,948	\$ 366,807	\$ 978,755	100.00%

Restricted Agency Accounts				
Checking Accounts	10/31/2015	Net Transactions	11/30/2015	
Bank of the Sierra -- Successor Agency	\$ 165,729	\$ (26,002)	\$ 139,728	0.17%
Bank of the Sierra -- SDI Account	\$ 60,187	\$ -	\$ 60,187	0.07%
Bank of the Sierra -- OHV Permits	\$ 23,400	\$ -	\$ 23,400	0.03%
Sub-Total Checking Accounts	\$ 249,316	\$ (26,002)	\$ 223,314	
Investment Account (Updated Monthly)	10/31/2015	Net Transactions	11/30/2015	
US Bank Investments *	\$ 84,377,869	\$ (236,410)	\$ 84,141,458	99.74%
Sub-Total Investment Accounts	\$ 84,377,869	\$ (236,410)	\$ 84,141,458	
Total Restricted Agency Accounts	\$ 84,627,185	\$ (262,412)	\$ 84,364,773	100.00%

Grand Total Cash and Investments	\$ 90,758,856	\$ 104,395	\$ 90,863,251	100.00%
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INVESTMENT POLICY

The Treasurer shall invest the City's monies as permitted in the City's approved investment policy. The Treasurer shall consider current and projected cash needs in making such investments.

* Contact City Treasurer for US Bank investment breakdown.

Keith L Middleton, Treasurer

presentation

California City, California 93505
TREASURER'S MONTHLY REPORT OF INVESTMENT
November 2015

US Bank		
Market Value Summary - CUSTODIAN ACCOUNT	10/31/2015	11/30/2015
Beginning Market Value	83,868,072	83,515,782
Ending Market Value	83,515,782	83,279,372
Investment Results	(352,290)	(236,410)
Market Value Summary - REDEVELOPEMENT AGENCY PROJ AREA TAX	10/31/2015	11/30/2015
Beginning Market Value	2	2
Ending Market Value	2	2
Investment Results	-	-
Market Value Summary - SUCCESSOR AGENCY Proj Area TAX INTEREST	10/31/2015	11/30/2015
Beginning Market Value	1	1
Ending Market Value	1	1
Investment Results	-	-
Market Value Summary - SUCCESSOR AGENCY Proj Area TAX PRINCIPAL	10/31/2015	11/30/2015
Beginning Market Value	2	2
Ending Market Value	2	2
Investment Results	-	-
Market Value Summary - SUCCESSOR AGENCY Proj Area TAX RESERVE	10/31/2015	11/30/2015
Beginning Market Value	862,082	862,082
Ending Market Value	862,082	862,082
Investment Results	-	-
Market Value Summary - (WASTEWATER SYSTEM IMPROV PROJ)	10/31/2015	11/30/2015
Beginning Market Value	-	-
Ending Market Value	-	-
Investment Results	-	-
Grand Total	84,377,869	84,141,458

Report Criteria:

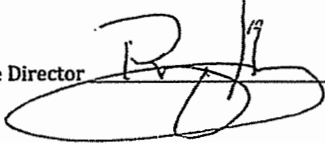
Report type: Invoice detail
Check.Check Number = 95987
Bank.Bank Number = 1
Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/03/2015	95987	Dept. of Toxic Substances	2015 EPA Harzardous Wast	VQ 201545744 112	230.00	230.00
Total 95987:							230.00
Grand Totals:							230.00

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-3-2015

Finance Director



Report Criteria:

Report type: Invoice detail

Bank Bank Number = 1

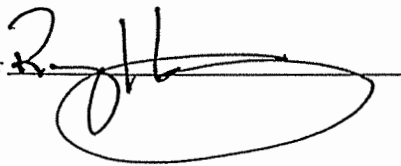
Check Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/04/2015	95988	San Bernardino Co. Sheriff	9-1-1 Training R Wooford	120315	75.00	75.00
Total 95988:							75.00
12/15	12/04/2015	95989	Sprague, Jan	50th Anniversary Supplies	1204-2015	350.00	350.00
Total 95989:							350.00
12/15	12/04/2015	95990	Wofford, Rebecca	Per Diem 911 Training	120315	150.00	150.00
Total 95990:							150.00
Grand Totals:							575.00

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-4-2015

Finance Director



Report Criteria:

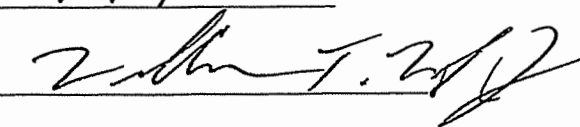
Report type: Invoice detail

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/08/2015	95991	Krissack, Richard	Construction Trash Dep. Re	BP 15713	500.00	500.00
Total 95991:							500.00
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065250-1	2,976.80	2,976.80
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065253-1	787.36	787.36
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065254-1	126.19	126.19
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065255-1	444.19	444.19
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065256-1	1,662.38	1,662.38
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065257-1	224.05	224.05
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065260-1	750.79	750.79
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065288-1	90.40	90.40
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065289-1	327.25	327.25
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065319-1	151.07	151.07
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065333-1	2,691.62	2,691.62
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065354-1	1,562.45	1,562.45
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065355-1	190.28	190.28
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065356-1	766.60	766.60
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065358-1	432.22	432.22
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065359-1	633.16	633.16
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065376-1	426.75	426.75
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065377-1	77.53	77.53
12/15	12/08/2015	95992	R S I Petroleum Prod	Fuel	1065386-1	249.71	249.71
Total 95992:							14,570.80
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX5030 Brenda Daverin	XX-5030	1,183.78	1,183.78
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-7239 Police	XX-7239	2,577.22	2,577.22
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-7254 Police	XX7254	3,913.87	3,913.87
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-7270 Fire Dept	XX7270	379.62	379.62
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-7288 Fire	XX7288	1,106.24	1,106.24
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX7304 Public Works	XX7304	2,606.34	2,606.34
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-7312 Public Works	XX-7312	6,396.28	6,396.28
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-9269 Bus Card	XX9269	1,157.01	1,157.01
12/15	12/08/2015	95993	U S Bank Corporate Payment	XXX-9301 CityMgr	XX-9301	32.04	32.04
Total 95993:							19,352.40
Grand Totals:							34,423.20

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12/7/15Finance Director 

Report Criteria:

Report type: Invoice detail

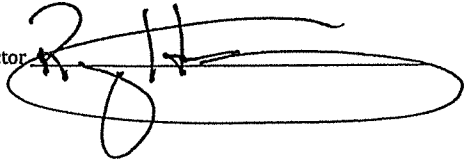
Check.Check Number = 95994,95995

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/08/2015	95994	Auditor-Controller-County Cle	Settlement Agrmt. 34-2013	CS# 34-2013-80001	215,518.00	215,518.00
Total 95994:							215,518.00
12/15	12/08/2015	95995	Petitt, Linda	50th Anniversary Cake	12-08-15 ANNIV.	285.00	285.00
Total 95995:							285.00
Grand Totals:							215,803.00

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-8-2015Finance Director 

Report Criteria:

Report type: Invoice detail
Check.Check Number = 95996
Bank.Bank Number = 1
Check.Voided = no

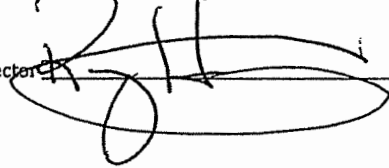
GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/08/2015	95996	Allstar Fire Equip, Inc	Helmet	185634-1	692.58	692.58
Total 95996:							692.58
Grand Totals:							692.58

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated:

12-8-2015

Finance Director



Report Criteria:

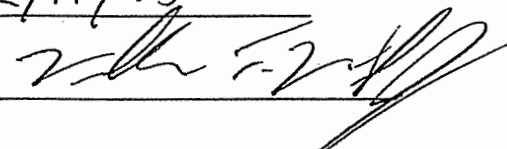
Report type: Invoice detail

Bank Bank Number = 1

Check Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/11/2015	95997	Charter Communications	Fire Cable Service/Internet	112215 0108863	823.48	823.48
Total 95997:							823.48
12/15	12/11/2015	95998	Petty Cash - Finance	Replenish Petty Cash	121115	396.73	396.73
Total 95998:							396.73
12/15	12/11/2015	95999	So California Edison Co	City Electricity	5074, 0140	47,398.63	47,398.63
Total 95999:							47,398.63
12/15	12/11/2015	96000	Verizon California	45 4920 3912319782 04	11-19-15	3,150.73	3,150.73
Total 96000:							3,150.73
Grand Totals:							51,769.57

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12/11/15Finance Director 

Report Criteria:

Report type: Invoice detail

Bank Bank Number = 1

Check Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/14/2015	96001	So California Edison Co	3-030-5465-97, 3-035-699	5465-97, 6993-50	298.24	298.24
Total 96001:							298.24
12/15	12/14/2015	96002	Verizon	Long Distance Service	7214 82Y 12-02-15	399.77	399.77
Total 96002:							399.77
12/15	12/14/2015	96003	Verizon California	760-FLO-0290 7338 08	177338 08	239.59	239.59
12/15	12/14/2015	96003	Verizon California	760-FLO-0290 7338 08	21940 06	88.89	88.89
Total 96003:							328.48
Grand Totals:							1,026.49

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12/14/2015

Finance Director

Report Criteria:

Report type: Invoice detail

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/15/2015	96004	CMTA	Holiday Luncheon	200000645	75.00	75.00
Total 96004:							75.00
12/15	12/15/2015	96005	Middleton, Keith	Travel Advance to CMTA H	121415	407.68	407.68
Total 96005:							407.68
Grand Totals:							482.68

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-15-2015

Finance Director

Report Criteria:

Report type: Invoice detail

Check.Check Number = 96006

Bank.Bank Number = 1

Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/17/2015	96006	Alexander's Contract Services	Meter Readers	201510010081	6,184.27	6,184.27
Total 96006:							6,184.27
Grand Totals:							6,184.27

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-17-2015

Finance Director

Report Criteria:

Report type: Invoice detail
 Check.Check Number = (<>) 96006
 Bank.Bank Number = 1
 Check.Voided = no

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/17/2015	96007	3SI Security Systems, Inc	GPS Units	415786	408.00	408.00
Total 96007:							408.00
12/15	12/17/2015	96008	A V E K	M & I Water Charges	22287	2,408.34	2,408.34
Total 96008:							2,408.34
12/15	12/17/2015	96009	Ace Uniforms	Uniforms	283291	205.19	205.19
Total 96009:							205.19
12/15	12/17/2015	96010	Alexander's Contract Services	Meter Reading Service	201512010081	6,155.88	6,155.88
Total 96010:							6,155.88
12/15	12/17/2015	96011	Allstar Fire Equip, Inc	Lightweight Attack Hose	186053	750.44	750.44
Total 96011:							750.44
12/15	12/17/2015	96012	Amber Chemical, Inc.	Hypochlorite Solution	0333067	127.93	127.93
12/15	12/17/2015	96012	Amber Chemical, Inc.	Hypochlorite Solution	0333333	237.58	237.58
Total 96012:							365.51
12/15	12/17/2015	96013	American Pavement Systems	Calif City Blvd Improvemen	15-295-1	1,039.44	1,039.44
Total 96013:							1,039.44
12/15	12/17/2015	96014	AmeriPride	Laundry Service	8467,6893,6305.52	481.80	481.80
Total 96014:							481.80
12/15	12/17/2015	96015	Andrew Parker	Board Up Lodi	201595	340.00	340.00
12/15	12/17/2015	96015	Andrew Parker	Remove Decals, Board Up C	201598, 201597	320.00	320.00
Total 96015:							660.00
12/15	12/17/2015	96016	Antelope Valley Ford	Repair Vehicle Unit 321	110531	990.18	990.18
Total 96016:							990.18
12/15	12/17/2015	96017	Armstrong, Jeffrey	College Courses	121415	608.00	608.00
Total 96017:							608.00
12/15	12/17/2015	96018	Atlas Copco Compressors LLC	CNG Station Repairs	587418	950.00	950.00
Total 96018:							950.00
12/15	12/17/2015	96019	AV Fuel Corporation	Jet Fuel	007897024	6,718.09	6,718.09

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96019:							6,718.09
12/15	12/17/2015	96020	B C Laboratories, Inc	Water Testing	11-30-15	1,469.00	1,469.00
Total 96020:							1,469.00
12/15	12/17/2015	96021	Benz Propane Co, Inc	Propane	238361065	513.32	513.32
Total 96021:							513.32
12/15	12/17/2015	96022	Bound Tree Medical	Medical Supplies	81978258, 257	547.36	547.36
Total 96022:							547.36
12/15	12/17/2015	96023	Brandau, Kim	Medical Director	DECEMBER 2015	500.00	500.00
Total 96023:							500.00
12/15	12/17/2015	96024	Burkhart, Michaele	Tiny Tots Class	120115	112.00	112.00
Total 96024:							112.00
12/15	12/17/2015	96025	Cal City Auto Supply	Facilities, Gar., streets, wtr,	112515	2,668.66	2,668.66
12/15	12/17/2015	96025	Cal City Auto Supply	Police, OHV	112515-1	2,252.15	2,252.15
Total 96025:							4,920.81
12/15	12/17/2015	96026	California Special Districts A		4916	1,156.00	1,156.00
Total 96026:							1,156.00
12/15	12/17/2015	96027	Callahan, Ryan Michael	Mobile Car Wash	51	225.00	225.00
Total 96027:							225.00
12/15	12/17/2015	96028	Cascade Subscription Service	Fire Engineeering Subscrip	1309087	358.00	358.00
Total 96028:							358.00
12/15	12/17/2015	96029	Caselle, Inc	Contract Support	69676	1,718.00	1,718.00
Total 96029:							1,718.00
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BCT1156	1,162.80	1,162.80
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BGF4005	1,171.75	1,171.75
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BGM1433	7,084.91	7,084.91
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BGM6936	430.00	430.00
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BGT6622	1,100.00	1,100.00
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BHR5943	195.00	195.00
12/15	12/17/2015	96030	CDW Government Inc	Server Equipment for PD	BKC9939	553.16	553.16
Total 96030:							11,697.62
12/15	12/17/2015	96031	Central Valley Occupational	Pre Employ Testing- C. Sch	167-227	796.00	796.00
12/15	12/17/2015	96031	Central Valley Occupational	Pre Employ Testing	167-229	864.00	864.00
Total 96031:							1,660.00

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/17/2015	96032	Charter Communications	Charter Internet/Cable	0104953 120515	142.57	142.57
12/15	12/17/2015	96032	Charter Communications	Police Internet Cable Servic	0118706 11-24-15	215.00	215.00
12/15	12/17/2015	96032	Charter Communications	Police Internet Cable Servic	0139587 1209-15	373.61	373.61
12/15	12/17/2015	96032	Charter Communications	Charter Internet/Cable	15167 120315	96.43	96.43
Total 96032:							827.61
12/15	12/17/2015	96033	Chief	Boots	414718	124.45	124.45
12/15	12/17/2015	96033	Chief	Training Gear	415677	1,345.60	1,345.60
12/15	12/17/2015	96033	Chief	Training Gear	418222	1,064.49	1,064.49
Total 96033:							2,534.54
12/15	12/17/2015	96034	City Hardware	Public Works	113015	2,605.28	2,605.28
12/15	12/17/2015	96034	City Hardware	Park Center	113015 P&R CTR	338.68	338.68
12/15	12/17/2015	96034	City Hardware	Public Safety, OHV, ACO	113015-1	1,372.05	1,372.05
12/15	12/17/2015	96034	City Hardware	Scout Island Materials	S/ISLAND 113015	17.17	17.17
Total 96034:							4,333.18
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106793.01 111315	511.68	511.68
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106796.01 111315	1,946.28	1,946.28
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106797.01 111315	6,548.03	6,548.03
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106798.01 111315	4,127.02	4,127.02
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106799.01 111315	4,127.02	4,127.02
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106800.01 111315	1,384.50	1,384.50
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106801.01 111315	2,305.01	2,305.01
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106804.01 111315	3,633.49	3,633.49
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106805.01 111315	471.34	471.34
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106806.01 111315	3,465.88	3,465.88
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106807.01 111315	847.68	847.68
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106808.01 111315	7,762.73	7,762.73
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106809.01 111315	480.54	480.54
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106810.01 111315	477.04	477.04
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106811.01 111315	497.36	497.36
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106812.01 111315	1,924.40	1,924.40
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106814.01 111315	816.62	816.62
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106815.01 111315	295.40	295.40
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106816.01 111315	302.55	302.55
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106817.01 111315	176.88	176.88
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106818.01 111315	147.70	147.70
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106819.01 11-13-15	635.90	635.90
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106820.01 111315	6,876.06	6,876.06
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106822.01 111315	498.56	498.56
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106823.01 111315	482.52	482.52
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106824.01 111315	490.91	490.91
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106825.01 111315	471.34	471.34
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106826.01 111315	4,127.02	4,127.02
12/15	12/17/2015	96035	City Of Cal City-General	Sewer Service	106827.01 111315	768.13	768.13
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106828.01 111315	147.70	147.70
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106829.01 111315	23,476.44	23,476.44
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106830.01 111315	88.44	88.44
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106831.01 111315	559.58	559.58
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106848.01 111315	147.70	147.70
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106849.01 111315	147.70	147.70
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106861.01 111315	166.52	166.52
12/15	12/17/2015	96035	City Of Cal City-General	Water Service	106863.01 111315	92.62	92.62

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96035:							81,426.29
12/15	12/17/2015	96036	Consolidated Electrical Distr	Welding Parts	3978-91801,52102,	103.74	103.74
Total 96036:							103.74
12/15	12/17/2015	96037	Cooley Construction, Inc.	Safe Routes to School	267	115,467.84	115,467.84
Total 96037:							115,467.84
12/15	12/17/2015	96038	Daily Independent	Ren Fair Advertising	1115	340.00	340.00
Total 96038:							340.00
12/15	12/17/2015	96039	Daverin, Brenda	Reimbursement for Toys 4	121615	788.09	788.09
Total 96039:							788.09
12/15	12/17/2015	96040	Deere Credit	Heavy Equipment Purchase	1632513	1,162.04	1,162.04
12/15	12/17/2015	96040	Deere Credit	Heavy Equipment Purchase	1634505	5,192.48	5,192.48
Total 96040:							6,354.52
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17430	63.00	63.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17431	63.00	63.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17435	56.00	56.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17436	35.00	35.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17439	35.00	35.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17441	259.00	259.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	17448	203.00	203.00
12/15	12/17/2015	96041	Dennis Automotive	Auto Service	21601	51.75	51.75
Total 96041:							765.75
12/15	12/17/2015	96042	Department of Justice	Live Scans	136400	552.00	552.00
12/15	12/17/2015	96042	Department of Justice	Fingerprinting	136651	64.00	64.00
Total 96042:							616.00
12/15	12/17/2015	96043	Downing, Justin & Shott, Krist	Refund 20567 Verde Vista	106296.03	6.75	6.75
Total 96043:							6.75
12/15	12/17/2015	96044	FASTSIGNS	Safety Signs	123-58175	59.15	59.15
Total 96044:							59.15
12/15	12/17/2015	96045	Fed Ex	Priority Mailings	5-238-04903	28.06	28.06
12/15	12/17/2015	96045	Fed Ex	Priority Mailings	5-244-72326	63.79	63.79
Total 96045:							91.85
12/15	12/17/2015	96046	Ferguson Waterworks	Pump CNTRL 150#	0534196	3,970.82	3,970.82
12/15	12/17/2015	96046	Ferguson Waterworks	Replenish Inventory, Wtr C	33310,5626,35946	5,022.97	5,022.97
12/15	12/17/2015	96046	Ferguson Waterworks	Replenish Inventory, Wtr C	5788,6251	9,828.85	9,828.85
12/15	12/17/2015	96046	Ferguson Waterworks	Replenish Inventory, Wtr C	6514,7049,6761,69	615.29	615.29

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96046:							19,437.93
12/15	12/17/2015	96047	Forensic Nurse Specialists, Inc	Exam Suspect & Victim	2104	900.00	900.00
Total 96047:							900.00
12/15	12/17/2015	96048	General Office Prod Ctr	Meter Billing Copier	9718	160.93	160.93
Total 96048:							160.93
12/15	12/17/2015	96049	Granite Construction Compan	Cold Mix	910865	6,915.44	6,915.44
Total 96049:							6,915.44
12/15	12/17/2015	96050	Great America Financial	Postage Machine Lease	17899600	898.36	898.36
Total 96050:							898.36
12/15	12/17/2015	96051	Haaker Equipment Co.	WWTP Parts	C17843	416.03	416.03
Total 96051:							416.03
12/15	12/17/2015	96052	Helt Engineering, Inc	Borax Bill Park New Vistor	15-409	3,165.00	3,165.00
12/15	12/17/2015	96052	Helt Engineering, Inc	12407 Safe Routes	15-447, 15-448	18,033.50	18,033.50
12/15	12/17/2015	96052	Helt Engineering, Inc	13405 Baron to Wonder	15-449	2,275.95	2,275.95
12/15	12/17/2015	96052	Helt Engineering, Inc	14409 Westside Taxiway	15-450	3,070.00	3,070.00
12/15	12/17/2015	96052	Helt Engineering, Inc	15401.2 Plan Check Kiosk	15-451	815.00	815.00
12/15	12/17/2015	96052	Helt Engineering, Inc	15403 WWTP Upgrade	15-452	1,670.00	1,670.00
12/15	12/17/2015	96052	Helt Engineering, Inc	15409 City Standards	15-453	4,415.00	4,415.00
12/15	12/17/2015	96052	Helt Engineering, Inc	15411 Water Dev	15-454	4,742.50	4,742.50
12/15	12/17/2015	96052	Helt Engineering, Inc	15412 Eastside Taxiway	15-455	4,102.50	4,102.50
12/15	12/17/2015	96052	Helt Engineering, Inc	15413 Fire Station	15-456	13,897.50	13,897.50
Total 96052:							56,186.95
12/15	12/17/2015	96053	Highway Glass Co	Replace Windshield Unit 32	108667	261.25	261.25
Total 96053:							261.25
12/15	12/17/2015	96054	Home Depot Credit Services	Facilities Maintenance Sup	XXXX-1266 11-20-1	758.67	758.67
Total 96054:							758.67
12/15	12/17/2015	96055	Information Technology Servi	Access & Maint. Chrgs CLET	5280	1,575.00	1,575.00
Total 96055:							1,575.00
12/15	12/17/2015	96056	International Code Council	Inspectors Book	1000631874	64.34	64.34
Total 96056:							64.34
12/15	12/17/2015	96057	Interon LLC	Set up Scanner Programmi	2470	221.49	221.49
Total 96057:							221.49
12/15	12/17/2015	96058	Joe E Delia	Polygraph	1202-2015	450.00	450.00

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96058:							450.00
12/15	12/17/2015	96059	Jones & Mayer	Attorney Fees	11-30-15	16,597.03	16,597.03
Total 96059:							16,597.03
12/15	12/17/2015	96060	Jones Chemicals Corp Inc	Chlorine Cylinders	675612	5,197.22	5,197.22
12/15	12/17/2015	96060	Jones Chemicals Corp Inc	Drums Return	675684	3,000.00-	3,000.00-
Total 96060:							2,197.22
12/15	12/17/2015	96061	Kern County Fire Dept	Emergency Comm	16-000162	20,420.92	20,420.92
Total 96061:							20,420.92
12/15	12/17/2015	96062	Kieffe & Sons Ford	Auto Parts	20731	107.54	107.54
Total 96062:							107.54
12/15	12/17/2015	96063	Kimball Midwest	Nuts and Washers	4591429	112.11	112.11
Total 96063:							112.11
12/15	12/17/2015	96064	KME Fire Apparatus	Engine 190 Repairs	534611	2,154.70	2,154.70
12/15	12/17/2015	96064	KME Fire Apparatus	1986 Humvee Repairs	534737	840.00	840.00
Total 96064:							2,994.70
12/15	12/17/2015	96065	Kosick, Jeremy	Certification Reimburseme	120715	265.00	265.00
12/15	12/17/2015	96065	Kosick, Jeremy	Public Education 1 Course	121115	156.50	156.50
12/15	12/17/2015	96065	Kosick, Jeremy	Membership So Cal Officer	121415	65.00	65.00
Total 96065:							486.50
12/15	12/17/2015	96066	Lawson, Ida & Jaw	Refund 9500 Rea	105704.06	40.24	40.24
Total 96066:							40.24
12/15	12/17/2015	96067	League Of Calif Cities	Local Roads & Streets Need	102490	200.00	200.00
Total 96067:							200.00
12/15	12/17/2015	96068	Macedonio, Richard & Karen	Refund 10749 Jermey	102849.02	19.14	19.14
Total 96068:							19.14
12/15	12/17/2015	96069	Mediawaste Disposal	Medical Waste Removal	5535	100.00	100.00
Total 96069:							100.00
12/15	12/17/2015	96070	Merchant's Printing & Envelo	Field Cost Reports, Name Pl	5-180181	847.96	847.96
12/15	12/17/2015	96070	Merchant's Printing & Envelo	Bus Cards, Receipts	5-180217	254.24	254.24
Total 96070:							1,102.20
12/15	12/17/2015	96071	Middleton, Keith	Mileage Reimb to Bank of t	7/15 TO 11/15	149.04	149.04

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96071:							149.04
12/15	12/17/2015	96072	Mission Uniform Service	Laundry Service	182-413590-00 113	150.99	150.99
Total 96072:							150.99
12/15	12/17/2015	96073	Mojave Desert News	PH Zoning Commercial/Ma	44980, 44981	563.86	563.86
Total 96073:							563.86
12/15	12/17/2015	96074	Mojave Public Utility Dis	Wonder Acres	06-0780-1 113015	1,897.31	1,897.31
Total 96074:							1,897.31
12/15	12/17/2015	96075	National Fire Protection Assoc	92114 Pub. 921 Guide for F	6579731Y	101.16	101.16
Total 96075:							101.16
12/15	12/17/2015	96076	National Meter & Automation	Combo Meter for Prison	S1065045.009	8,439.83	8,439.83
12/15	12/17/2015	96076	National Meter & Automation	1" Meters	S1065784.001	15,888.83	15,888.83
Total 96076:							24,328.66
12/15	12/17/2015	96077	Norm Hill Aviation	Internet Service	1543,1574,1625,16	200.00	200.00
12/15	12/17/2015	96077	Norm Hill Aviation	Internet Service	1692	50.00	50.00
12/15	12/17/2015	96077	Norm Hill Aviation	Internet Service	1693	50.00	50.00
Total 96077:							300.00
12/15	12/17/2015	96078	Office Depot	Office Supplies	801531544001	7.01	7.01
12/15	12/17/2015	96078	Office Depot	Office Supplies	807129216001	66.60	66.60
12/15	12/17/2015	96078	Office Depot	Office Supplies	809619105001	64.47-	64.47-
12/15	12/17/2015	96078	Office Depot	Office Supplies	809638544001	109.09	109.09
12/15	12/17/2015	96078	Office Depot	Office Supplies	809644966001	112.34	112.34
12/15	12/17/2015	96078	Office Depot	Office Supplies	809794080001	40.83	40.83
12/15	12/17/2015	96078	Office Depot	Office Supplies	809794131001	16.08	16.08
12/15	12/17/2015	96078	Office Depot	Office Supplies	810134611001	723.82	723.82
12/15	12/17/2015	96078	Office Depot	Office Supplies	810137168001	37.70	37.70
12/15	12/17/2015	96078	Office Depot	Office Supplies	810137447001	104.88	104.88
12/15	12/17/2015	96078	Office Depot	Office Supplies	810137448001	245.08	245.08
12/15	12/17/2015	96078	Office Depot	Office Supplies	810137449001	54.50	54.50
12/15	12/17/2015	96078	Office Depot	Office Supplies	810531303001	50.50	50.50
12/15	12/17/2015	96078	Office Depot	Office Supplies	810532301001	60.76	60.76
12/15	12/17/2015	96078	Office Depot	Office Supplies	810532314001	42.99	42.99
12/15	12/17/2015	96078	Office Depot	Office Supplies	811062816001	21.36	21.36
12/15	12/17/2015	96078	Office Depot	Office Supplies	811063031001	46.06	46.06
Total 96078:							1,675.13
12/15	12/17/2015	96079	Patterson Veterinary	ACO Supplies	890-1920909	106.96	106.96
Total 96079:							106.96
12/15	12/17/2015	96080	Petroleum Tank Testing	Monthly Inspection 3 mont	11712	450.00	450.00
Total 96080:							450.00
12/15	12/17/2015	96081	Platt, Craig	Power Supply Reimbursem	120415	106.50	106.50

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
Total 96081:							106.50
12/15	12/17/2015	96082	PR Diamond Products	Blades	0039180	1,050.00	1,050.00
Total 96082:							1,050.00
12/15	12/17/2015	96083	Praxair Distribution Inc	Oxygen	54289235	120.60	120.60
Total 96083:							120.60
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1055420,5433,5477	3,866.44	3,866.44
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065258	916.28	916.28
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065302	162.72	162.72
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065372	963.71	963.71
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065395	121.07	121.07
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065427	1,129.57	1,129.57
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065428	302.54	302.54
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065429	666.89	666.89
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065432	47.64	47.64
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065434	581.02	581.02
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065459	227.57	227.57
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065482	52.75	52.75
12/15	12/17/2015	96084	R S I Petroleum Prod	Fuel	1065486	89.73	89.73
12/15	12/17/2015	96084	R S I Petroleum Prod	Station Repairs	1264228	364.60	364.60
Total 96084:							9,492.53
12/15	12/17/2015	96085	Rally Auto Group	Parts Unit 472	552239	315.01	315.01
12/15	12/17/2015	96085	Rally Auto Group	Parts Unit 472	552371	44.60	44.60
Total 96085:							359.61
12/15	12/17/2015	96086	Restoration Management Co.	Water Damage Restoration	155322	864.00	864.00
Total 96086:							864.00
12/15	12/17/2015	96087	Rodriquez, M & Chavez-Rio	Refund 9401 Karen	104930.08	34.05	34.05
Total 96087:							34.05
12/15	12/17/2015	96088	S A S S	Random Testing	D30632	140.00	140.00
Total 96088:							140.00
12/15	12/17/2015	96089	Safety-Kleen Corp	Solvent	68637535	283.80	283.80
Total 96089:							283.80
12/15	12/17/2015	96090	Sage Staffing	Temp Mary Johnson	52954	1,725.60	1,725.60
12/15	12/17/2015	96090	Sage Staffing	Temp Mary Johnson	53001	1,035.36	1,035.36
Total 96090:							2,760.96
12/15	12/17/2015	96091	SA-SO	Street Materials	S15-4380	782.01	782.01
Total 96091:							782.01
12/15	12/17/2015	96092	SC Communications	Scanner Units	4551	504.18	504.18

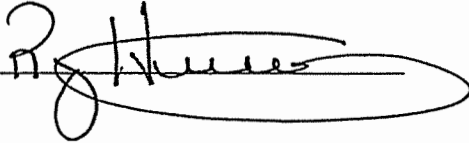
GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
12/15	12/17/2015	96092	SC Communications	Field Tech Service Call	96354	306.00	306.00
Total 96092:							810.18
12/15	12/17/2015	96093	Sequoia Equipment Company,	Parts Unit 222	2325	353.66	353.66
Total 96093:							353.66
12/15	12/17/2015	96094	Sharper Landscaping Srvs Inc.	Monthly Grounds Maintena	3210	11,333.33	11,333.33
Total 96094:							11,333.33
12/15	12/17/2015	96095	Southern Calif Gas Company	Claim 264820 Damage Clai	91085311	1,121.46	1,121.46
Total 96095:							1,121.46
12/15	12/17/2015	96096	Sparkletts	Water	4687417-120415	29.82	29.82
Total 96096:							29.82
12/15	12/17/2015	96097	Srijaerajah, T, Md	DMV Medical Physical	B ANDRASEVITS	100.00	100.00
Total 96097:							100.00
12/15	12/17/2015	96098	Staples Advantage	Office Supplies, Janitorial	934210,7024388,19	4,027.50	4,027.50
Total 96098:							4,027.50
12/15	12/17/2015	96099	Strong, Mike	Storage Rental	120115	450.00	450.00
Total 96099:							450.00
12/15	12/17/2015	96100	Technical Smoke Testing	Smoke Opacity Testing	819137	825.00	825.00
12/15	12/17/2015	96100	Technical Smoke Testing	Smoke Opacity Testing	819138	300.00	300.00
12/15	12/17/2015	96100	Technical Smoke Testing	Smoke Opacity Testing	819139	450.00	450.00
Total 96100:							1,575.00
12/15	12/17/2015	96101	Thugs to Bugs Pest Control	Pest Control	11270, 11272	810.00	810.00
12/15	12/17/2015	96101	Thugs to Bugs Pest Control	Pest Control	11935	320.00	320.00
12/15	12/17/2015	96101	Thugs to Bugs Pest Control	Pest Control	119363	325.00	325.00
Total 96101:							1,455.00
12/15	12/17/2015	96102	TigerDirect	Office and Computer Suppli	L82488170102	999.99	999.99
Total 96102:							999.99
12/15	12/17/2015	96103	Tyack's Tires, Inc	Tires	162321	500.15	500.15
Total 96103:							500.15
12/15	12/17/2015	96104	U P S	Service Charges	V485	80.70	80.70
Total 96104:							80.70
12/15	12/17/2015	96105	U S Bank Corporate Payment	XXX-7254 Police	XXX- 7254 112515	895.01	895.01
12/15	12/17/2015	96105	U S Bank Corporate Payment	XXX5030 Brenda Daverin	XXX-5030 112515	1,719.75	1,719.75
12/15	12/17/2015	96105	U S Bank Corporate Payment	XXX-7239 Police	XXX-7239 112515	553.44	553.44

GL Period	Check Issue Date	Check Number	Payee	Description	Invoice Number	Invoice Amount	Check Amount
--------------	---------------------	-----------------	-------	-------------	-------------------	-------------------	-----------------

I HEREBY CERTIFY AS TO THE ACCURACY OF THE DEMANDS AND AVAILABILITY OF FUNDS:

Dated: 12-17-2015

Finance Director



Report Criteria:

Report type: Invoice detail
Check.Check Number = (<>) 96006
Bank.Bank Number = 1
Check.Voided = no

Uniform Regulations

1058.1 PURPOSE AND SCOPE

The purpose of this policy is to establish uniform regulations for members in order to enhance the department's overall professional and positive image.

1058.2 POLICY

It is the policy of the California City Fire Department that members shall wear the proper uniform at all times when on-duty or engaged in department-related activities off-duty. [Staff shall be dressed and in Uniform by 08:00 hours each day of shift.](#)

Members shall maintain an adequate supply of uniforms to meet the needs of their assignment and maintain the uniforms in an acceptable condition. This policy does not supersede department regulations regarding the use of any personal protective equipment (PPE).

1058.3 STANDARD WORK UNIFORM

The standard work uniform for captains, engineers, and firefighters shall consist of the [Workrite](#) Nomex® navy blue short- or long-sleeve shirt, [Workrite](#) Nomex® navy blue trousers, department-issued badge, standard belt with department buckle and black leather boots.

[The Standard work uniform for Chief Officers and Admin staff shall consist of the Workrite Nomex black short or long sleeve shirt, black trousers, issued badge and appropriate collar brass / belt buckle](#)

[Volunteers and Reserves shall wear the Light Blue Workrite Nomex shirt with NAVY Blue pants](#)

[Since the Department has adopted single layering for Wildland Fire Response, Crew Boss and Workrite Rescue pants \(NFPA 1977 complaint\) in the appropriate color are approved for use.](#)

The standard work uniform shall be worn as directed. Members are not required to wear the standard work uniform underneath personal protective equipment (PPE) in order to complete the PPE ensemble.

~~Captains shall wear appropriate rank insignia on the standard work uniform.~~

[Collar Brass / Insignias are as follows:](#)

[Fire Chief: 5 crossed gold bugles, Fire Battalion Chief: 2 crossed gold bugles, Fire Captain: 2 parallel silver bugles; Engineer: 1 silver bugle](#)

[Off duty wearing of the uniform when not at training, requires authorization from the Fire Chief.](#)

[Unless in a Department vehicle, the wearing of a uniform to and from work is prohibited.](#)

1058.3.1 UNIFORM JACKETS

Uniform jackets may be worn as described in this subsection:

California City Fire Department

Uniform Regulations

- At any time over the standard work uniform shirt
- For an emergency response, over an approved t-shirt
- In transit to and from a physical fitness location
- Uniform jackets are not fire resistive and shall not be worn underneath PPE.
- Nomex® fatigue-type jackets may only be worn as modified to short sleeve, by hemming the sleeves to the same length as the standard work uniform shirt.
- A long-sleeve jacket that is department-approved shall be worn with a long-sleeve shirt.
- Captains shall wear appropriate rank insignia on any uniform jacket.

1058.3.2 1058.3.2 T-SHIRTS

Official department on-duty t-shirts or plain white t-shirts may be worn:

- Under the standard work uniform shirt.
- Uncovered and tucked into the trousers, at the company officer's discretion, while working at the fire station or while engaged in company level manipulative training that does not require PPE.
- ~~Long-sleeve t-shirts, either official or plain white, shall be worn as a layering component under wildland PPE.~~

1058.3.3 BASEBALL CAPS

Official department on-duty baseball caps may be worn, at the discretion of the company officer, except:

- When a helmet is required.
- At formal or semi-formal events or occasions.

1058.3.4 HAZARDOUS MATERIALS SPECIALIST JUMPSUITS

1058.3.5 OTHER

Official department "job shirts" (sweatshirt with denim collar and elbow patches) or 3/4 zip sweatshirt with Embroidery may be worn:

- ~~Only as directed and only in quarters as approved by the Fire Chief.~~
- ~~On emergency responses or in transit to and from a physical fitness location, if covered by PPE.~~

1058.4 PHYSICAL FITNESS UNIFORMS & SLEEP ATTIRE

The physical fitness uniform shall primarily be worn when engaged in physical fitness. It may also be worn in quarters but only after 17:00 hours as directed on weekdays or any time on holidays and weekends.

California City Fire Department

Uniform Regulations

The fitness uniform shall be covered with an appropriate work uniform or combination of PPE and work uniform while in transit to and from a physical fitness location.

Nylon or other synthetic material shorts and other fitness uniform items should not be worn under PPE because those fabrics may melt.

At all times personnel shall wear a shirt

Sleep attire shall consist of same items as the physical fitness attire and at no times shall a member enter a common area partially dressed.

1058.5 DRESS UNIFORMS

Dress uniforms shall be worn as directed by the Fire Chief via bulletin or memo and when attending the following types of events:

- Funerals and memorials
- Formal department functions, such as graduations and badge ceremonies
- Formal City functions

1058.6 ARSON AND ADMIN ATTIRE

ARSON ATTIRE

During enforcement activities, members of the Arson Division will wear attire that is easily identifiable, and not the regular duty uniforms of the Fire Suppression staff. There are several options available to the Division and the Fire Chief can approve individual items as needed.

An example of this attire is:

Tan or Black BDU's or Jeans, black polo with embroidered 5 point badge and the Arson badge visible. Footwear as appropriate. Vests, when worn, shall say "Arson" on front and back.

PPE shall be worn during scene operations by Arson Investigators. This may include cover-alls.

All other equipment or attire shall be in compliance with the Fire/Arson Investigation policies.

"Plain clothes" or civilian wear as needed for undercover operations or courtroom testimony.

Administrative Attire

California City Fire Department

Uniform Regulations

Chief Officers are authorized for plain clothes at their discretion. This can be for travel, meetings or off-duty response from home. On Scene of incidents that shall be in PPE is the incident warrants or plainly identified by a badge or "fire" vest.

1058.7 UNIFORM MAINTENANCE

- Uniforms shall be clean, neat, in good condition and should fit well.
- Boots and belts shall be clean and polished with black polish.
- Metal badges shall be clean and free from excessive scratches.

CITY OF CALIFORNIA CITY

Data Processing/Analyst

Position Control No. 12 2015

EMPLOYMENT

CLASSIFICATION: Classified

DEPARTMENT: Finance

REPORTS TO: Finance Director

PURPOSE/OBJECTIVE OF JOB: Data Processing of Utility Billing

LEVEL OF SUPERVISION REQUIRED: None

ESSENTIAL DUTIES AND RESPONSIBILITIES:

General Purpose

To enter data from various source documents into the computer system for storage, processing and data management purposes, problem solving and correcting problems directly impacting utility billing issues.

Duties and Responsibilities

1. Data Processing of all Utility Account applications and closings. Maintain quality control for Utility Department and Collections Department.
2. Processing and maintenance of accounts and Utility Billing process.
3. Maintain Data Processing of quarterly delinquent account reports for collection agency, write offs and send to Collection Agency.
4. Assist Finance Director with preparation of annual reports when needed. Assist with private auditors of City's financial reports.
5. Reconcile NSF charges on customer accounts, process revenue reimbursement.
6. Prepare California State Controller's Office reports for Public Works Director.
7. Prepare financial balance reports of statements and cost studies.
8. Data Process and maintain Hydrant Meters applications for processing of billing.
9. Data process field cost reports for new meters on utility accounts.
10. Internal data processing of software when there are rate changes. Correspond with software vendors regarding program updates, upgrades, errors, etc.
11. Process billing adjustments and corrections on accounts.
12. Maintain deposit refunds and fill out green warrants.
13. Prepare monthly reports for Finance Director.
14. Customer Service answer phones and assist customers where needed.
15. Process weekly system backups.
16. Use initiative and sound independent judgement within established procedural guidelines.
17. Verify data and correct data where necessary.

18. Performs related duties as required.
19. Attends workshops, seminars or training as appropriate.
20. Provide temporary coverage for the utility payment desk during lunches and breaks or in a rare situation of no coverage.

Qualifications:

Ability to type at least 45 WPM

Ability to enter numeric data and perform mathematical equations.

Ability to use database software, spreadsheets and word processing is helpful

Organize and maintain files.

Correct business English usage

Ability to interact with the public using good customer service skills.

Strong reading comprehension is desired.

Use initiative and sound independent judgement within established procedural guidelines.

Work under pressure and/or frequent interruptions; work well with angry or difficult customers.

Ability to pay attention to detail.

Education and Experience:

High school diploma

Formal computer training is an advantage.

Accurate keyboard skills and proven ability to enter data at the required speed.

Knowledge of clerical and administrative procedures.

Knowledge of correct spelling, grammar and punctuation.

Minimum of five years of experience in the related field.

Physical Requirements:

Essential Physical Requirement

Ability to Reach, turn, move from one location to another.

Speak clearly and correctly, sit, hear, handle.

Visual acuity (near-under 20 inches, far-over 20 feet), with the ability to adjust focus.

Perform one or more of the following functions simultaneously. reach, turn, move from one location to another, handle read, write, speak, sit and hear.

Minimal physical requirements:

Ability to stand, walk, kneel, crouch and stoop.

Environmental conditions:

In door environment with regulated heat and air.

Low to moderate noise intensity level.

Reviewed and approved by council on: _____

CITY COUNCIL

December 22, 2015

TO: Mayor and City Council

FROM: Rudy Hernandez, Finance Director

SUBJECT: Review and Approve Budget Calendar For Fiscal Year 2016/17 Budget.

BACKGROUND:

Attached is the proposed budget calendar for the preparation of the FY 2016/17 budget. Please review the schedule closely. In reviewing the budget calendar, please note that the budget workshops are scheduled for the week of 5/16/2016 – 5/20/2016 and is designed to allow the City Council the flexibility to select what date(s) it wishes to conduct the budget workshop(s). It is important that we stick to the schedule to encourage public participation in the process.

RECOMMENDATION:

Staff recommends that the City Council approve the budget calendar for the FY 2016-17 budget.

FISCAL IMPACT:

None.

ENVIRONMENTAL ACTION:

None.



City of California City
PROPOSED BUDGET CALENDAR
FY 2016-17



Action	Date
✓ Review and Adopt Budget and Fiscal Policies for FY 2016/17 Budget	01/26/2016
✓ Mid-Year Budget Review	02/23/2016
✓ Budget Worksheets, Instructions, and Guidelines Distributed to Departments.	02/08/2016
✓ City Manager reviews budget requests with Finance Director and Department Heads	03/01/2016 - 03/31/2016
✓ City Manager submits proposed budget to City Council	05/10/2016
✓ City Staff and City Council conduct Budget Workshops	05/16/2016 – 05/20/2016
✓ City Council Holds Public Hearing and Adopts Final FY 2016-17 budget	06/14/2016

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION
FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE City Council OF THE City of California City
(Governing Body) (Name of Applicant)

THAT

City manager, OR
(Title of Authorized Agent)

Public Works Director, OR
(Title of Authorized Agent)

Fire Chief
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the City of California City, a public entity
(Name of Applicant)

established under the laws of the State of California, this application and to file it with the California Emergency Management Agency for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the City of California City, a public entity established under the laws of the State of California,
(Name of Applicant)

hereby authorizes its agent(s) to provide to the California Emergency Management Agency for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

- ☒ This is a universal resolution and is effective for all open and futures disasters up to three (3) years following the date of approval below.
☐ This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this 22nd day of December, 2015

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, _____, duly appointed and _____ of
(Name) (Title)

_____, do hereby certify that the above is a true and correct copy of a
(Name of Applicant)

Resolution passed and approved by the _____ of the _____
(Governing Body) (Name of Applicant)

on the _____ day of _____, 20____.

(Signature)

(Title)

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

AGREEMENT NUMBER

64BO15-00303

AMENDMENT NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

DEPARTMENT OF TRANSPORTATION

CONTRACTOR'S NAME

City of California City

2. The term of this Agreement is:

JULY 01, 2014 THROUGH JUNE 30, 2016

3. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibit A - Scope of Work	1 to 5	page(s)
Exhibit B - Budget Detail and Payment Provisions	6 to 11	page(s)
Exhibit C - General Terms and Conditions	12 to 30	page(s)
Exhibit D - Special Terms and Conditions (Attached hereto as part of this agreement)	31 to 35	page(s)
Exhibit E - Special Section 5333(b) Warranty	36	page(s)

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto.

CONTRACTOR		California Department of Transportation use only		
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.)				
City of California City				
BY (Authorized Signature)	DATE SIGNED			
PRINTED NAME AND TITLE OF PERSON SIGNING				
Rudy Hernandez, Finance Director				
ADDRESS				
21000 Hacienda Blvd., California City, CA 93505				
STATE OF CALIFORNIA				
AGENCY NAME				
TRANSPORTATION				
BY (Authorized Signature)	DATE SIGNED			
PRINTED NAME AND TITLE OF PERSON SIGNING				
JAMES OGBONNA, Chief of Rural and Intercity Bus Branch				
ADDRESS				
1120 N STREET, MS 39, SACRAMENTO, CA 95814				
AMOUNT ENCUMBERED BY THIS DOCUMENT	PROGRAM/CATEGORY (CODE AND TITLE)	FUND TITLE		
\$43,390.00	Transportation SA 64BO15-00303-00	Federal Trust		
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT	(OPTIONAL USE)			
\$0.00	Fed. Cat No. 20.509 Fed. 55.33% Local 44.67%			
TOTAL AMOUNT ENCUMBERED TO DATE	ITEM	CHAPTER	STATUTE	FISCAL YEAR
\$43,390.00	2660-102-0890(2)	10	2015	2015/16 (15102F)
OBJECT OF EXPENDITURE (CODE AND TITLE)				
64 826 5P303 6049				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER		DATE SIGNED		

ADA Notice

For individuals with sensory disabilities, this document is available in alternate formats. For information, call (916) 445-1233, TTY 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

11/16

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

City of California City
64BO15-00303

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EXHIBIT A**SECTION 5311****SCOPE OF WORK**

1. The parties agree that only those paragraphs that have a mark ("X") opposite to the transportation services category (hereafter called the PROJECT) shall apply to Exhibit A of this Agreement.

A. ☐ **Capital Project (Vehicle/Equipment)**

1. The CONTRACTOR's application for a capital assistance grant under 49 USC Section 5311 of the Federal Transit Act, as amended, has been certified to the Federal Transit Administration (FTA) by the California Department of Transportation (hereinafter referred to as STATE) as having met all the statutory and administrative requirements for PROJECT approval. The purpose of this Agreement is to implement the approved capital grant PROJECT.
2. The CONTRACTOR agrees to perform the PROJECT to provide public transportation service to the general public in a nonurbanized area of the State and in accordance with the terms and conditions of this Agreement.
3. The CONTRACTOR agrees to operate the equipment funded and made available through the PROJECT within the service area as described in Exhibit A.1, A.4.
4. The CONTRACTOR'S scope of work is described as follows:
 - A. At a minimum, transportation service shall be provided between MONDAY through FRIDAY (or at a minimum of 20 hours per week) for each vehicle as described in the CONTRACTOR'S original Grant Application.
 - B. The CONTRACTOR'S geographic area that will be served by the transportation program as described in the original grant application is as follows:
5. The new PROJECT for equipment or new vehicles (not designated as "used" by Federal Trade Commission Agency 16 CFR Part 455.1(d)(2) as well as California Vehicle Code Section 100-680), and estimated cost, is as follows:

ITEM	QUANTITY	*AWARD	TOTAL AMOUNT
------	----------	--------	--------------

Grant Award-Total Cost of PROJECT Equipment:

Federal Share:
Local Share:
Toll Credits:

*Maximum grant amount as determined by awarded project costs

PROCUREMENT SCHEDULE

DATE

Bid Package to Caltrans
Award Contract
Issue Purchase Order to Vendor
Delivery or Installation
Place into Service

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

City of California City
64BO15-00303

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EXHIBIT A

B. ☒ Operating Project

1. The CONTRACTOR's application for an operating assistance grant under 49 USC Section 5311 of the Federal Transit Act, as amended, has been certified to the Federal Transit Administration (FTA) by the California Department of Transportation (hereinafter referred to as STATE) as having met all the statutory and administrative requirements for PROJECT approval. The purpose of this Agreement is to implement the approved operating assistance grant (hereinafter referred to as the PROJECT).
2. The CONTRACTOR agrees to provide public transportation service to the general public in a nonurbanized area of the State in accordance with the terms and conditions of this Agreement.
3. Operating assistance eligible for reimbursement under this Agreement are costs directly related to system operations and may include: fuel, oil, drivers' salaries and fringe benefits, dispatcher salaries and fringe benefits, and licenses. Up to 55.33 percent of the net PROJECT costs are eligible for reimbursement under this Agreement, not to exceed \$ 43,390.00. No payment shall be made in advance of performance of work.
4. For the purpose of carrying out the PROJECT, the operating costs pursuant to this Agreement shall not exceed the estimated cost specified herein:

Item Description	Cost
Operating Assistance	
Federal Share:	\$43,390.00
Total Local Share:	\$242,695.00
Toll Credits:	
Federal Share*:	Total Project Cost: \$286,085.00
*Not to exceed <u>55.33</u> percent of Net PROJECT Cost	

5. The CONTRACTOR agrees to operate the PROJECT in the service area as described in Exhibit A. 1, B. 6.
6. The CONTRACTOR'S scope of work is described as follows:
 - A. At a minimum, transportation service shall be provided between **8:00 AM to 5:00 PM**, MONDAY through FRIDAY (or at a minimum of 20 hours per week).
 - B. The CONTRACTOR'S geographic area that will be served by the transportation program as described in the original grant application is as follows:

Kern County

C. ☐ Preventive Maintenance Project

1. The CONTRACTOR's application for a preventive maintenance grant under 49 USC Section 5311 of the Federal Transit Act, as amended, has been certified to the Federal Transit Administration (FTA) by the California Department of Transportation (hereinafter referred to as STATE) as having met all the statutory and administrative requirements for PROJECT approval. The purpose of this Agreement is to implement the approved preventive maintenance grant (hereinafter referred to as the PROJECT).
2. Preventive Maintenance activities consist of routine revenue and non-revenue vehicle inspection and maintenance for bus operations including: inspecting revenue vehicle components on a scheduled preventive maintenance basis (e.g., engine and transmission, fuel system, ignition system, chassis, body - exterior and interior, electrical system, lubrication system, trolleys, pantographs and third rail shoes, trucks, braking system, air-conditioning system); performing minor repairs to the above-listed revenue vehicle components; changing lubrication fluids; replacing minor repairable units of the above-listed revenue vehicle components; making road calls to service revenue vehicle breakdowns; towing and shifting revenue vehicles to maintenance facilities; rebuilding and overhauling repairable components;

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

City of California City
64B015-00303

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EXHIBIT A

performing major repairs on revenue vehicles on a scheduled or unscheduled basis. For the purpose of carrying out the PROJECT, the labor, associated administrative, and incidental costs pursuant to this Agreement shall not exceed the estimated cost specified in the Agreement.

3. The CONTRACTOR agrees that the PROJECT will enhance provision of public transportation service provided to the general public in a nonurbanized area of the State in accordance with the terms and conditions of this Agreement.
4. For the purpose of carrying out the PROJECT, the labor and incidental costs pursuant to this Agreement shall not exceed the estimated cost specified herein:

Item Description	Cost
Operating Expense	

Federal Share*: _____ Total Local Share: _____
Total Project Cost: _____
*Not to exceed _____ percent of Net PROJECT Cost

D. ☐ **Capital Project (Real Estate Acquisition/Construction)**

1. The CONTRACTOR's application for a capital assistance grant under 49 USC Section 5311 of the Federal Transit Act, as amended, has been certified to the FTA by the STATE as having met all the statutory and administrative requirements for PROJECT approval. The purpose of this Agreement is to implement the approved PROJECT.
2. The CONTRACTOR agrees to perform the PROJECT to provide public transportation service to the general public in a nonurbanized area of the State and in accordance with the terms and conditions as described in this Agreement.
3. For Real Estate Acquisition, the CONTRACTOR must follow the procedures below pursuant to FTA Circular 5010.1D; 49 CFR Part 18.31; 49 CFR Part 24 Subpart B; and by the FTA Master Agreement:
 - a. The conduct of Hazardous Waste Site Assessments before acquiring real property.
 - b. The conduct of an independent appraisal by a certified appraiser.
 - c. The requirement for a review appraisal of the initial appraisal.
 - d. FTA review and concurrence requirements related to the CONTRACTOR's offer to buy the property.
 - e. If the CONTRACTOR is leasing the property, incidental use of acquired real property as a means to supplement transit revenues.
 - f. Disposition of excess real property by sale, lease, donation, transfer to other programs, or other conveyance methods.
 - g. The requirement to prepare an excess property utilization plan for all real property no longer used for its original purpose.
4. CONTRACTOR must submit the Plans, Specifications, and Estimate (PS&E) Checklist for any construction PROJECT. CONTRACTOR certifies that the PROJECT was designed and prepared for advertisement in accordance with 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreement to State Governments, Federal Transit Administration (FTA) circular 4220.1F-Third Party Contracts Guidance, FTA Circular 9040.1F – Construction Management and Oversight, the FTA Projects and Construction Management Guidelines, and the FTA Best Practices Procurement

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

City of California City
64BO15-00303

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EXHIBIT A

Manual.

5. CONTRACTOR understands and agrees that all documents relating to this project are subject to review by FTA and/or STATE in order to verify the PS&E certification. CONTRACTOR also understands and agrees that if deficiencies are found in subsequent reviews, the following actions may be taken:
 - a. Where minor deficiencies are found, PS&E certification for future projects may be conditionally approved or not accepted until the deficiencies are corrected.
 - b. Where deficiencies are of such magnitude as to create doubt that the policies and objectives of applicable federal and state laws will not be accomplished by the project, federal funding may be withdrawn at the discretion of the Office Chief of Federal Transit Grants Programs.
6. For the purpose of carrying out the PROJECT, the following described Real Estate Acquisition/Construction PROJECT is to be purchased/constructed, pursuant to this Agreement at costs not to exceed the estimated cost specified herein:

Item Description	Cost
Operating Expense	

Federal Share*:	Total Local Share:
*Not to exceed _____ percent of Net PROJECT Cost	Total Project Cost:

PROCUREMENT SCHEDULE	DATE
Environmental Clearance (CEQA/NEPA)	
Preliminary Engineering/PS&E	
Right of Way Coordination	
Construction	

E. ☐ Transfer of Used Vehicle/Equipment

1. The CONTRACTOR agrees to perform the PROJECT to provide public transportation service to the general public in a nonurbanized area of the State and in accordance with the terms and conditions of this Agreement with the STATE.
2. The CONTRACTOR shall use the PROJECT equipment at all times exclusively and in conformity with the following project description for as long as the equipment is needed for the PROJECT. Vehicles may not be transferred without prior written approval from STATE.
3. The PROJECT equipment as described in Project Description and Justification for Funding Request as attached to attachment 1 of this Agreement was transferred from
SA# _____ to _____.
4. The STATE has evaluated and approved the transfer for vehicle/equipment based on the CONTRACTOR's request containing the following information.
 - A. Project Description and Justification for Funding Request (Replacement or Expansion)
 - B. Proposed Service and Operating Plan (including map of service area)
 - C. Existing Transportation Services (current fleet)
 - D. Proposed Transportation Services

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

**City of California City
64BO15-00303**

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EXHIBIT A

E. Signed Certifications and Assurances

F. Board Resolutions of Both Parties

2. The PROJECT representatives during the term of this Agreement will be:

State Agency: Department of Transportation	Contractor: City of California City
Name: JAMES OGBONNA	Name: Rudy Hernandez
Title: Chief of Rural Transit and Intercity Bus Branch	Title: Finance Director
Phone: (916) 651-6116	Phone: (760) 373-7167
Fax: (916) 654-9366	Fax:

Direct all inquiries to:

State Agency: Department of Transportation	Contractor: City of California City
Section/Unit: Division of Mass Transportation MS 39	Section/Unit:
Attention: Katherine Pongratz	Attention: Jan Sprague
Address: P.O. Box 942874	Address: 21000 Hacienda Blvd.
Sacramento, CA 94274-0001	California City, CA 93505
Phone: (916) 654-9955	Phone: (760) 373-7191
Fax: (916) 654-9366	Fax:

STANDARD AGREEMENT

DOT-213a (REV 10/2014)

City of California City
64BO15-00303

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EXHIBIT B

SECTION 5311

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

The full project invoice (both federal and local share) shall be submitted by the CONTRACTOR to the STATE for review and approval prior to payment. Federal regulations hold the STATE accountable for all projects funded with federal funds including those projects funded with local share. CONTRACTORS therefore, MUST submit ALL invoices both federal and local share to the STATE for verification of costs and payments made. This new step will ensure that both the federal and local funding shares are reported accurately and reviewed accordingly for the Federal Financial Report (SF-425).

The CONTRACTOR's accounting system and billing procedures are subject to audit by STATE prior to contract award, and accounting records pertaining to work performed and costs billed to STATE are subject to audit for a period of three (3) years after date of final payment under this Agreement. If the CONTRACTOR fails to retain records such as employee time cards, payroll records, travel records, equipment time and cost records, billings from subcontractors, material and equipment suppliers records that are sufficient to permit audit verification of the validity of costs charged to STATE, the CONTRACTOR will be liable for reimbursement to STATE of all unsubstantiated billings.

Upon review and approval by the STATE, STATE agrees to reimburse the CONTRACTOR for allowable costs as defined in 2 CFR Part 225 and 49 CFR, Part 18, upon receipt of an invoice that is itemized per Project Budget Worksheet in the application as applicable, and otherwise meets the requirements of this Standard Agreement. Incomplete or disputed invoices shall be returned to CONTRACTOR, unpaid, for correction and must be resubmitted to STATE prior to the payment of the invoice.

Invoices shall be itemized in accordance with Exhibit E, Cost Worksheet or Project Budget Worksheet in the application as applicable, and shall include original signed receipts along with the proof of payments for materials, supplies, and equipment, and for travel describing the purpose of travel as it pertains to Project Budget Worksheet, classifications, hourly rates, and identification of work to be reimbursed for the payment period, indirect costs, and subcontractor costs itemized similar to those of the CONTRACTOR, as set forth in the Project Budget Worksheet. Proof of payment made to the vendor or a copy of the method of payment must be submitted by the CONTRACTOR. Proof of payment includes: Bank statements or cancelled check showing check number and "Paid in Full" or CONTRACTOR accounting records showing the transaction.

The parties agree that only those paragraphs that have a mark ("X") opposite to the PROJECT category shall apply to this Agreement.

A. ☐ Capital Project

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the basis of payment for the services provided under this Agreement shall be reimbursement in arrears for actual allowable costs. The request(s) for reimbursement shall certify that the CONTRACTOR has paid wages and salaries, and shall list the various salary and other accounts to which the grant funds will be applied. Upon receipt of these invoices, the STATE shall reimburse the CONTRACTOR up to _____ percent of the total PROJECT cost but not to exceed \$ _____.
2. The STATE's obligations to compensate the CONTRACTOR under the terms of this Agreement shall terminate upon payments of CONTRACTOR's invoice(s) for the FTA allowable portions of said equipment costs. The request(s) for reimbursement shall certify that the CONTRACTOR has received and accepted the equipment and shall be submitted together with copies of the equipment vendor's invoices and the CONTRACTOR's purchase orders. The CONTRACTOR's invoices and the vendor's invoices shall be consistent internally and with the purchase order and shall include a breakdown of equipment unit costs, sales tax, registration fees, and any other items procured with said purchase orders, including items and costs not reimbursable under this PROJECT and any items not subject to sales tax. The latter includes "items and materials when used to modify a vehicle for physically handicapped persons", which are exempt from sales tax under Revenue and Taxation Code Section 6369.4.

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3. The net PROJECT cost and the allowable individual items of PROJECT cost shall be determined in conformance with CFR 48, Federal Acquisition Regulations (FAR), Chapter 1, Part 31, 2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments", FAR Subpart 31.2, "Contracts with Commercial Organizations," and other applicable regulations, circulars, or memorandums that may be issued by FTA.
4. Direct and Indirect Costs. The CONTRACTOR shall comply with 2 CFR Part 225 (formerly Office of Management and Budget (OMB) Circular A-87 and certifies that all direct and indirect costs billed are allowable. All direct costs, even for project administration activities, must be adequately supported with proper documentation. Indirect costs must be supported by an approved Cost Allocation Plan (CAP) and/or Indirect Cost Rate Proposal. The CONTRACTOR shall obtain approval from the STATE's Audits and Investigations Office of the CONTRACTOR's CAP prior to submitting any invoices for payment for the PROJECT. Indirect charges incurred prior to plan approval by the STATE is not an allowable expense. The CONTRACTOR's that are private for-profit organizations must comply with 48 CFR Subpart 31.2, "Contracts with Commercial Organizations."
5. No advance payment will be made for the PROJECT. Reimbursements will only be allowed after execution of this Agreement for submission of the appropriate purchase orders, receipt of all invoices and the full delivery of all equipment described in Exhibit A of this Agreement. Reimbursement will only be allowed for purchases made after the effective date of this Agreement. Project invoices shall be submitted in triplicate not more frequently than monthly in arrears and must include the Agreement Number. Incomplete or erroneous invoices shall be returned to the CONTRACTOR, unpaid, for correction. Final invoices are due to the STATE - District Transit Representative on or before to:
Name:
Address:
6. Upon successful completion of the PROJECT or upon termination by STATE, the parties shall determine the amount of compensation, if any, to be repaid by the CONTRACTOR to STATE in order to avoid any STATE liability to FTA due to payments erroneously made to the CONTRACTOR in excess of the total PROJECT amount eligible for Federal reimbursement.
7. As specified in Exhibit D, Section 4. Useful Life Standard, this Agreement will expire upon the PROJECT meeting its useful life period but not before

B. ☒ Operating Project

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the basis of payment for the services provided under this Agreement shall be reimbursement in arrears for actual allowable costs. The STATE will reimburse the CONTRACTOR for actual allowable costs, including, but not limited to, employee benefits and overhead, incurred after the effective date of this Agreement. Not more than once a month, the CONTRACTOR may submit to STATE signed invoices in triplicate with enough detail to assure that costs are eligible and allowable under this Agreement. Upon receipt of these signed invoices, STATE shall reimburse the CONTRACTOR up to 55.33 percent of the total operating cost, not to exceed \$ 43,390.00. No payment shall be made in advance of performance of work.
2. The net PROJECT cost and the allowable individual items of PROJECT cost shall be determined in conformance with CFR 48, Federal Acquisition Regulations (FAR), Chapter 1, Part 31, 2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments", FAR Subpart 31.2, "Contracts with Commercial Organizations," and other applicable regulations, circulars, or memorandums that may be issued by FTA.
3. Direct and Indirect Costs. The CONTRACTOR shall comply with 2 CFR Part 225 (formerly Office of Management and Budget (OMB) Circular A-87 and certifies that all direct and indirect costs billed are

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allowable. All direct costs, even for project administration activities, must be adequately supported with proper documentation. Indirect costs must be supported by an approved Cost Allocation Plan (CAP) and/or Indirect Cost Rate Proposal. The CONTRACTOR shall obtain approval from the STATE's Audits and Investigations Office of the CONTRACTOR's CAP prior to submitting any invoices for payment for the PROJECT. Indirect charges incurred prior to plan approval by the STATE is not an allowable expense. The CONTRACTORS that are private for-profit organizations must comply with 48 CFR Subpart 31.2, "Contracts with Commercial Organizations."

4. The PROJECT period for which transit operational expenses are eligible for reimbursement under this Agreement is the period from **07/01/2014** to **06/30/2015**.
5. Reimbursements will only be allowed after execution of this Agreement for submission of the appropriate purchase orders, receipt of all invoices and the full delivery of all operating services described in Exhibit A of this Agreement. Reimbursement will only be allowed for purchases made after the effective date of this Agreement. Project invoices shall be submitted in triplicate not more frequently than monthly in arrears and must include the Agreement Number. Incomplete or erroneous invoices shall be returned to the CONTRACTOR, unpaid, for correction. Final invoices are due to the STATE – District Transit Representative on or before **06/01/2016** to:

Name: **Rick Franz**
Address: **District 9 Planning**
500 South Main Street Bishop, CA 93514
6. Upon successful completion of the PROJECT or upon termination by STATE, the parties shall determine the amount of compensation, if any, to be repaid by the CONTRACTOR to STATE in order to avoid any STATE liability to FTA due to payments erroneously made to the CONTRACTOR in excess of the total PROJECT amount eligible for Federal reimbursement.
7. The Contract expires on **06/30/2016**, after which time no further CONTRACTOR invoices will be paid.

C. ☐ Preventive Maintenance Project

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the basis of payment for the services provided under this Agreement shall be reimbursement in arrears for actual allowable costs. The request(s) for reimbursement shall certify that the CONTRACTOR has paid wages and salaries, and shall list the various salary and other accounts to which the grant funds will be applied. Upon receipt of these invoices, the STATE shall reimburse the CONTRACTOR up to _____ percent of the total PROJECT cost but not to exceed \$ _____.
2. The PROJECT period for which preventive maintenance expenses are eligible for reimbursement under this Agreement is the period from _____ to _____.
3. The STATE's obligations to compensate the CONTRACTOR under the terms of this Agreement shall terminate upon payments of the CONTRACTOR's invoice(s) for the FTA allowable activities, supplies, materials, wages, salaries, and services required to preserve or extend the functionality and serviceability of the asset in a cost effective manner. Project invoices shall be submitted in triplicate not more frequently than monthly in arrears and must include the Agreement Number. Final invoices are due to the STATE – District Transit Representative on or before _____ to:

Name:
Address:
4. The net PROJECT cost and the allowable individual items of PROJECT cost shall be determined in conformance with CFR 48, Federal Acquisition Regulations (FAR), Chapter 1, Part 31, 2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments", FAR Subpart

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31.2, "Contracts with Commercial Organizations," and other applicable regulations, circulars, or memorandums that may be issued by FTA.

5. Direct and Indirect Costs. The CONTRACTOR shall comply with 2 CFR Part 225 (formerly Office of Management and Budget (OMB) Circular A-87 and certifies that all direct and indirect costs billed are allowable. All direct costs, even for project administration activities, must be adequately supported with proper documentation. Indirect costs must be supported by an approved Cost Allocation Plan (CAP) and/or Indirect Cost Rate Proposal. The CONTRACTOR shall obtain approval from the STATE's Audits and Investigations Office of the CONTRACTOR's CAP prior to submitting any invoices for payment for the PROJECT. Indirect charges incurred prior to plan approval by the STATE is not an allowable expense. The CONTRACTORS that are private for-profit organizations must comply with 48 CFR Subpart 31.2, "Contracts with Commercial Organizations."
6. No payment will be made for preventive maintenance in advance of payment of wages and services. Reimbursements will only be allowed after execution of this Agreement for submission of appropriate purchase orders, receipt of all invoices and the completion of preventive maintenance services described in Exhibit A (Item Description and Cost) of this Agreement. Reimbursement will only be allowed for activities performed after the effective date of this Agreement. Incomplete or erroneous invoices shall be returned to the CONTRACTOR, unpaid, for correction.
7. The Contract expires on _____, after which time no further CONTRACTOR invoices will be paid.

D. ☐ **Capital Project (Real Estate Acquisition/Construction)**

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the basis of payment for the services provided under this Agreement shall be reimbursement in arrears for actual allowable costs. The request(s) for reimbursement shall certify that the CONTRACTOR has paid wages and salaries, and shall list the various salary and other accounts to which the grant funds will be applied. Upon receipt of these invoices, the STATE shall reimburse the CONTRACTOR up to _____ percent of the total PROJECT cost but not to exceed \$ _____.
2. The STATE's obligations to compensate the CONTRACTOR under the terms of this Agreement shall terminate upon payments of CONTRACTOR's invoice(s) for the FTA allowable portions of said Real Estate Acquisition/Construction costs. The request(s) for reimbursement shall certify that the CONTRACTOR has received the equipment/materials and shall be submitted together with copies of the equipment/materials of vendor's invoices and the CONTRACTOR's purchase orders. The CONTRACTOR's invoices and the vendor's invoices shall be consistent internally and with the purchase order and shall include a breakdown of equipment/material unit costs, sales tax, and any other items procured with said purchase orders, including items and costs not reimbursable under this PROJECT and any items not subject to sales tax.
3. The net PROJECT cost and the allowable individual items of PROJECT cost shall be determined in conformance with CFR 48, Federal Acquisition Regulations (FAR), Chapter 1, Part 31, 2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments", FAR Subpart 31.2, "Contracts with Commercial Organizations," and other applicable regulations, circulars, or memorandums that may be issued by FTA.
4. Direct and Indirect Costs. The CONTRACTOR shall comply with 2 CFR Part 225 (formerly Office of Management and Budget (OMB) Circular A-87 and certifies that all direct and indirect costs billed are allowable. All direct costs, even for project administration activities, must be adequately supported with proper documentation. Indirect costs must be supported by an approved Cost Allocation Plan (CAP) and/or Indirect Cost Rate Proposal. The CONTRACTOR shall obtain approval from the STATE's Audits and Investigations Office of the CONTRACTOR's CAP prior to submitting any invoices for payment for the PROJECT. Indirect charges incurred prior to plan approval by the STATE is not an allowable expense. The CONTRACTOR's that are private for-profit organizations must comply with 48 CFR

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Subpart 31.2, "Contracts with Commercial Organizations."

5. No payment will be made for Real Estate Acquisition/Construction in advance of purchase/any stage of PROJECT completion. Reimbursements will only be allowed after execution of this Agreement for submission of the appropriate purchase orders, receipt of all invoices and the full delivery of all equipment and consumption of materials described in Exhibit A of this Agreement. Reimbursement will only be allowed for purchases/consumption made after the effective date of this Agreement. Project invoices shall be submitted in triplicate not more frequently than monthly in arrears and must include the Agreement Number. Incomplete or erroneous invoices shall be returned to the CONTRACTOR, unpaid, for correction. Final invoices are due to the STATE – District Transit Representative on or before _____ to:

Name:
Address:
6. Upon successful completion of the PROJECT or upon termination by STATE, the parties shall determine the amount of compensation, if any, to be repaid by the CONTRACTOR to STATE in order to avoid any STATE liability to FTA due to payments erroneously made to the CONTRACTOR in excess of the total PROJECT amount eligible for Federal reimbursement.
7. As specified in Exhibit D, Section 4. Useful Life Standard, this Agreement will expire upon the PROJECT meeting its useful life period but not before _____.

2. Budget Contingency Clause

- A. The CONTRACTOR agrees that it will provide funds in an amount sufficient, together with the grant, to assure payment of those actual total net PROJECT costs. The funds provided shall include sufficient funds from other eligible sources to provide the PROJECT local matching requirements in accordance with Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and FTA Circular 9040.1F.
- B. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the STATE shall have no liability to pay any funds whatsoever to the CONTRACTOR or to furnish any other considerations under this Agreement and the CONTRACTOR shall not be obligated to perform any provisions of this Agreement.
- C. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the STATE shall have the option to either cancel this Agreement with no liability occurring to the STATE, or offer an Agreement amendment to the CONTRACTOR to reflect the reduced amount.

3. Prompt Payment Clause

- A. In the event the contractor is a certified small business or similar entity, but not a public agency, the STATE shall make payment within 45 days in accordance with Government Code Chapter 4.5 Section 927.
- B. The CONTRACTOR shall pay any third-party contractor not later than 7-days of receipt of each progress payment unless a longer period is agreed to in writing, as cited in the California Business and Professions Code, Section 7108.5.
- C. Should the CONTRACTOR choose to include retainers in third-party contracts, the CONTRACTOR must adhere to the requirements of Section 7108.5 as cited above. The CONTRACTOR must ensure prompt and full payment of retainage to third-party contractors no later than 30 days after the third-party contractor's work is satisfactorily completed, as cited in 49 CFR Part 26.29.

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- D. It is the parties' intention that grant funds will be available for expenditure for three fiscal years, commencing with the State fiscal year that this Agreement is entered into. In the event that funds are not appropriated for the purpose of this Agreement in an amount sufficient to allow the encumbrance of grant funds in accordance with this paragraph, the parties agree that this Agreement will terminate at the end of the fiscal year for which funds have been encumbered. The CONTRACTOR's obligations under this Agreement shall remain in effect until the PROJECT is completed under the terms of this Agreement. Upon expiration date of this Agreement the unreimbursed funds will revert and no further invoices can be paid to CONTRACTOR.

4. Project Closeout Clause

- A. CONTRACTOR agrees that once PROJECT is complete, any outstanding balance will be returned to the most recent regional apportionment for the FTA Section 5311 Regional Apportionment Program for redistribution or reallocation per FSTIP requirements. For FTA Section 5311(f) Intercity Bus Program, any remaining balance/cost savings will be returned to STATE.
- B. Upon successful completion of the PROJECT or upon termination by STATE, the parties shall determine the amount of compensation, if any, to be repaid by the CONTRACTOR to STATE in order to avoid any STATE liability to FTA due to payments erroneously made to the CONTRACTOR in excess of the total PROJECT amount eligible for Federal reimbursement.

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GENERAL TERMS AND CONDITIONS FOR ALL FEDERAL GRANT PROGRAMS

1. Subrecipient. For the purpose of this Agreement, the CONTRACTOR is the subrecipient as referenced in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (pub.L.109-059). As a grant subrecipient of FTA funds the CONTRACTOR agrees to comply with the Federal statutes, regulations, executive orders, directives and administrative requirements which relate to applications made to and grants received from FTA including but limited to the USDOT FTA Master Agreement (15), October 1, 2008 and FTA C 9070.1F, Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions, or FTA C 9040.1F, Nonurbanized Area Formula Program Guidance and Grant Application Instructions, or FTA C 9045.1, New Freedom Program Guidance and Application Instructions, or FTA C 9050.1, The Job Access and Reverse Commute (JARC) Program Guidance and Application Instructions.
2. Approval.
 - A. Except as provided herein this Agreement is of no force or effect until signed by both parties and approved by the STATE.
 - B. The STATE reserves the right to sign and approve the Agreement provided however, the commencement of work should not be authorized until the expenditure of federal funds has been authorized by the FTA for a specific Federal fiscal year. The CONTRACTOR may not commence performance until federal authorization has been obtained.
 - C. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional or legislative appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays that would occur if the Agreement were executed after the determination was made.
 - D. This Agreement is valid and enforceable only if sufficient funds are made available to the STATE by the United States Government or the California State Legislature for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress or the State Legislature that may affect the provisions, terms or funding of this Agreement in any manner.
 - E. It is mutually agreed that if the Congress or the State Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
 - F. State Law. This Agreement shall be interpreted according to the laws of the State of California, except as to those provisions where federal law shall apply; as to those provisions where federal law applies, the rules, regulations, statutes and executive orders of the federal government shall be applicable. In the event that any provision of this Agreement requires that CONTRACTOR observe or comply with or perform any activity in contradiction or violation of State law, the CONTRACTOR will notify STATE at once, in writing, of such provision. The remaining Agreement provisions shall not be affected. The unenforceable provision(s) shall be renegotiated by the CONTRACTOR and STATE for mutually agreed appropriate changes and/or modifications; and the CONTRACTOR shall proceed, as soon as is possible, with PROJECT.
 - G. No issuance of a Standard Agreement or amendments will be provided until proof of the project has been programmed and is in an approved FSTIP.

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3. Enforcement/Remedies for Non-Compliance. If a CONTRACTOR materially fails to comply with any term of this Agreement, or fails to refund any moneys due STATE, the STATE may take one or more of the following actions:
 - A. Disallow or temporarily withhold cash payments pending correction of the deficiency by the CONTRACTOR.
 - B. Wholly or partially suspend or terminate the current award for the CONTRACTOR's PROJECT.
 - C. Withhold future awards to the CONTRACTOR for the program.
 - D. Withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from remaining grant balance and/or future apportionments, or any other funds due CONTRACTOR from the Federal Trust Fund or any other sources of funds.
 - E. Take other remedies that may be legally available.
4. Timeliness. Time is of the essence in this agreement and shall be signed and returned by the CONTRACTOR within 90 calendar days after mailing. In the event this agreement is not signed and returned within 90 days of mailing, the PROJECT identified in Exhibit A of this AGREEMENT from FTA's grant award may at the discretion of the STATE be withdrawn and cancelled.
5. Amendment. No amendment or alteration of the terms of this Agreement shall be valid unless submitted in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties. Amendments shall be signed and returned by the CONTRACTOR within 90 calendar days after mailing. In the event this amendment is not signed within 90 days of mailing, the PROJECT identified in Exhibit A of this AGREEMENT from FTA's grant award may at the discretion of the STATE be withdrawn and cancelled.
6. Assignment. This Agreement is not assignable by the CONTRACTOR, either in whole or in part, without the consent of the STATE in the form of a formal written amendment.
7. Independent Contractor. The CONTRACTOR, and the agents and employees of the CONTRACTOR, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the STATE.
8. Antitrust Claims. The CONTRACTOR by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the CONTRACTOR shall comply with the requirements of the Government Codes Sections set out below.
 - A. The Government Code Chapter on Antitrust claims contains the following definitions:
 1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the STATE or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 2. "Public purchasing body" means the STATE or the subdivision or agency making a public purchase. Government Code Section 4550.
 - B. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

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- C. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
 - D. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.
9. Child Support Compliance Act. "For any Agreement in excess of \$100,000, the CONTRACTOR acknowledges in accordance with Public Contract Code 7110, that:
- A. The CONTRACTOR recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - B. The CONTRACTOR, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
10. Unenforceable Provision. In the event that any provision of this Agreement is unenforceable or held to be unenforceable by a court of competent jurisdiction, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
11. Priority Hiring Considerations: If this Agreement includes services in excess of \$200,000, the CONTRACTOR shall give priority consideration in filling vacancies in positions funded by the Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Public Contract Code §10353.
12. State Management Plan. The STATE is designated by the Governor to administer the FTA Section 5310, 5311, 5316, 5317, and 5339 programs in California. The implementation and administration of the FTA programs are outlined in each program's State Management Plan and is available at the Department of Transportation, Division of Rail and Mass Transportation website at, <http://www.dot.ca.gov/hq/MassTrans/>.
13. Annual Certification and Assurances. As requested by the STATE, the CONTRACTOR must complete and submit to the STATE the annual FTA Certifications and Assurances for Federal Transit Administration Assistance Programs, Certifications and Assurances Checklist and Signature Page to be provided by STATE.
14. Exclusionary or Discriminatory Specifications. Apart from inconsistent requirements imposed by Federal statute or regulations, the CONTRACTOR agrees that it will comply with the requirements of 49 U.S.C. Section 5323(h)(2) by refraining from using any Federal assistance funds awarded by STATE on behalf of the FTA to support procurements using exclusionary or discriminatory specifications.

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15. Buy America. The CONTRACTOR shall comply with the Buy America requirements of 49 USC 5323(j) and 49 CFR Part 661 for all procurements of steel, iron and manufactured products used in PROJECT. Buy America requirements apply to all purchases, including materials and supplies funded as operating costs, if the purchase exceeds the threshold for small purchases (currently \$100,000). Separate requirements for rolling stock are set out at 49 USC 5323(j)(2)(c) and 49 CFR 661.11. Rolling stock must be assembled in the United States and have a 60 percent domestic content.
16. U.S. Flag Requirements.
 - A. Shipments by Ocean Vessel. For third-party contracts that may involve equipment, materials, or commodities which may be transported by ocean vessels, the CONTRACTOR and subcontractors must comply with 46 U.S.C. Section 55303 and 46 CFR Part 381, "Cargo Preference-U.S. Flag Vessels."
 - B. Shipments by Air Carrier. For third-party contracts that may involve shipments of federally assisted property by air carrier, the CONTRACTOR and subcontractors must comply with the "Fly America" Act and 49 U.S.C. Section 40118, "Use of United States Flag Air Carriers," and 41 CFR Sections 301-10.131 through 301-10.143.
 - C. Project Travel. In accordance with 49 U.S.C. 40118 and 41 CFR Part 301-10, the CONTRACTOR and all subcontractors are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation, to the extent such service is available or applicable.
17. Accounting Records. The CONTRACTOR shall establish and maintain separate accounting records and reporting procedures specified for the fiscal activities of the PROJECT. The CONTRACTOR's accounting system shall conform to generally accepted accounting principles (GAAP) and uniform standards that may be established by STATE. All records shall provide a breakdown of total costs charged to the PROJECT including properly executed payrolls, time records, invoices and vouchers.
18. Worker's Compensation. The CONTRACTOR hereby warrants that it carries Workers' Compensation Insurance on all of its employees who will be engaged in the performance of this Agreement. If staff provided by the CONTRACTOR is defined as independent contractors, this clause does not apply.
19. Vehicle Operator Licensing. The CONTRACTOR is required to comply with all applicable requirements of the Federal Motor Carrier Safety Administration regulations and the California Vehicle Code including, but not limited to, the requirement that all vehicle operators have a valid State of California driver's license, including any special operator license that may be necessary for the type of vehicle operated.
20. Audit Requirements. The CONTRACTOR shall be responsible for meeting the audit requirements of OMB Circular A-133, or any revision or supplement thereto. The required audit reports shall be submitted to the State Controller with a copy to STATE in conformance with the compliance guidelines issued by the California Department of Finance. The cost of audits made in accordance with the provisions of OMB Circular A-133 is an allowable charge to this PROJECT, to the extent provided by OMB Circular A-133.
21. Record Keeping. The CONTRACTOR and all subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the performance period and for three (3) years from the date of final payment under this Agreement and all subrecipient contracts.
22. Examination of Records. STATE'S Audits Office, the State Auditor General, and any duly authorized representative of the Federal government shall have access to any books, records, and documents of the CONTRACTOR and its subcontractors that are pertinent to this Agreement for audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. The CONTRACTOR shall include a clause to this effect in every subcontract entered into relative to the PROJECT.

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23. Examination of Accounting. The CONTRACTOR'S accounting system and billing procedures are subject to audit by STATE prior to contract award, and accounting records pertaining to work performed and costs billed to STATE are subject to audit for a period of three (3) years after date of final payment under this Agreement. If the CONTRACTOR fails to retain records such as employee time cards, payroll records, travel records, equipment time and cost records, billings from subcontractors, material and equipment suppliers records that are sufficient to permit audit verification of the validity of cost charged to STATE, the CONTRACTOR will be liable for reimbursement to STATE of all unsubstantiated billings.
24. Reporting Forms. The CONTRACTOR shall furnish STATE with any additional reports or data that may be required by FTA or other federal agencies. Such reports and/or data will be submitted on forms provided by STATE.
25. Debarment and Suspension. The CONTRACTOR agrees as follows:
- A. The CONTRACTOR agrees to comply with the requirements of Executive Order Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. Section 6101 note; and U.S. DOT regulations on Debarment and Suspension and 49 CFR Part 29.
 - B. Unless otherwise permitted by FTA, the CONTRACTOR agrees to refrain from awarding any third-party contract of any amount to or entering into any sub-agreement of any amount with a party included in the "U.S. General Services Administration's (U.S. GSA) List of Parties Excluded from Federal procurement or Non-procurement Program," implementing Executive Order Nos. 12549 and 12689, "Debarment and suspension" and 49 CFR Part 29. The list also include the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible for contract award under statutory or regulatory authority other than Executive Order Nos. 12549 and 12689.
 - C. Before entering into any sub-agreements with any subrecipient, the CONTRACTOR agrees to obtain a debarment and suspension certification from each prospective recipient containing information about the debarment and suspension status and other specific information of that subrecipient and its "principals," as defined at 49 CFR Part 29.
 - D. Before entering into any third-party contract exceeding \$25,000, the CONTRACTOR agrees to obtain a debarment and suspension certification from each third-party contractor containing information about the debarment and suspension status of that third-party contractor and its "principals," as defined at 49 CFR 29.105 (p). The CONTRACTOR also agrees to require each third-party contractor to refrain from awarding any third-party sub-contract of any amount (at any tier) to a debarred or suspended sub-contractor, and to obtain a similar certification from any third-party subcontractor (at any tier) seeking a contract exceeding \$25,000.
26. Compliance with Federal Statutes. During the performance of this Agreement, the CONTRACTOR, its assignees and successors in interest, agree to comply with all Federal statutes and regulations applicable to grantee recipients under the Federal Transit Act, including, but not limited to the following:
- A. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color and national origin. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
 - B. Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:
 - (a) Race, Color, National Origin. - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by

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Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(d) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

C. In accordance with 49 CFR Part 26 and as described in FTA Circular 4702.1B, and the California Department of Transportation Title VI Program Plan, and upon request from the STATE, the CONTRACTOR shall comply with the following reporting requirements. The CONTRACTOR is also responsible for ensuring compliance of each third-party contractor at any tier of the PROJECT.

1. Prepare and submit a Title VI Program.
2. Establish and maintain a Title VI complaint procedures.
3. Record Title VI investigations, complaints, and lawsuits.
4. Provide meaningful access to Limited English Proficient Persons.
5. Notify beneficiaries of protection under Title VI.
6. Provide additional information upon request.
7. Provide an Annual Title VI Certification and Assurance.
8. Guidance on conducting an Analysis of Construction PROJECTS.
9. Guidance on promoting Inclusive Public Participation.
10. Report minority representation on transit related Planning and Advisory Bodies.
11. Service standards.
 - a. Vehicle load for each mode
 - b. Vehicle headway for each mode

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- c. On time performance for each mode
- d. Service availability for each mode

12. Service policies

- a. Transit Amenities for each mode
- b. Vehicle Assignment for each mode

- D. Solicitations for Subcontracts Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding or negotiation by the CONTRACTOR for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the CONTRACTOR of the CONTRACTOR's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- E. Information and Reports. The CONTRACTOR shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the STATE or the FTA to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the CONTRACTOR shall so certify to the STATE or the FTA as appropriate, and shall set forth what efforts it has made to obtain the information.
- F. Incorporation of Provisions. The CONTRACTOR shall include the provisions of these paragraphs (a) through (f) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The CONTRACTOR will take such action with respect to any subcontractor or procurement as the STATE or the FTA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the CONTRACTOR may request the STATE to enter into such litigation to protect the interest of the STATE, and, in addition, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

27. Disadvantaged Business Enterprise. The CONTRACTOR agrees to:

- A. Comply with U.S. DOT regulations, "Participation by Disadvantaged Enterprises in Department of Transportation Financial Assistance Programs", 49 CFR Part 26.
- B. Complete and submit to STATE a DBE Implementation Agreement with the DOT-213 Standard Agreement. STATE shall provide the Implementation Agreement to the CONTRACTOR prior to vehicle ordering.
- C. Report twice annually on DBE participation in their contracting opportunities; their award/commitments and actual payments.
- D. Each contract you sign with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any U.S. DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by U.S. DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the STATE may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

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- E. Each contract you sign with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The CONTRACTOR, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of U.S. DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

28. Section 504 and Americans with Disabilities Act Program Requirements. The CONTRACTOR will comply with 49 C.F.R. Parts 27, 37 and 38, implementing the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Section 794, as amended.
29. Warranty for Application to the Small Urban and Rural Program. The CONTRACTOR accepts the terms and conditions of the "Special Section 13(c) Warranty for Application to the Small Urban and Rural Program," as executed by the Secretary of Labor and the Secretary of Transportation on May 31, 1979, and those terms and conditions are incorporated by reference into this Agreement.
30. Public Lands. The CONTRACTOR agrees to refrain from using in its PROJECT any publicly owned land from a park, recreation area, or wildlife or waterfowl refuge of National, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, and also refrain from using in its PROJECT any land from a historic site of National, State, or local significance unless the Federal Government makes the specific findings as required by 49 U.S.C. § 303.
31. Energy Conservation. The CONTRACTOR agrees to comply with the mandatory energy efficiency standards and policies within the applicable State energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42, U.S.C. §§ 6321 et seq.
32. Receipt of Commission. The CONTRACTOR warrants that it has not paid, and also agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for these funds obtained as a consequence of this Agreement.
33. Conflict of Interest.
- A. In accordance with 41 U.S.C. § 22, no member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising there from.
 - B. The CONTRACTOR certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
 - C. The CONTRACTOR shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
 - D. The CONTRACTOR will not be awarded a contract if the financial interests are held by a current officer or employee of the STATE. Additionally, a contract will not be awarded to an officer or employee of the STATE to provide goods and service. Likewise, the CONTRACTOR officials and employees shall also avoid actions resulting in or creating an appearance of:
 - 1. Using an official position for private gain;
 - 2. Giving preferential treatment to any particular person;

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3. Losing independence or impartiality;
 4. Affecting adversely the confidence of the public or local officials in the integrity of the program.
- E. Former STATE employees will not be awarded a contract for two (2) years from the date of separation if that employee had any part of the decision making process relevant to the agreement, or for one (1) year from the date of separation if that employee was in a policy making position in the same general subject area as the proposed contract within the 12-month period to his or her separation from State service.
- F. Neither the CONTRACTOR nor any of its employees, suppliers or subcontractors shall enter into any contract, subcontract, or arrangement in connection with the PROJECT or any property included or planned to be included in the PROJECT, in which any member, officer, or employee of the CONTRACTOR or its subcontractor, during the PROJECT term and for one year thereafter, has any direct or indirect conflict of interest. If any such present or former member, officer, or employee involuntarily acquires or had acquired prior to the beginning of the PROJECT term any such interest, and if such interest is immediately disclosed to the CONTRACTOR and such disclosure is entered upon the minutes of the CONTRACTOR's written report to STATE of such interest, the STATE, may waive the conflict of interest; provided that the officer or employee shall not participate in any action by the CONTRACTOR or the locality relating to such contract, subcontract, or arrangement.
- G. The CONTRACTOR shall insert in all contracts entered into in connection with the PROJECT or with any property included or planned to be included in any PROJECT, and shall require its contractors to insert in each of their subcontracts, the following provision:
- "No member, officer, or employee of the CONTRACTOR or of the locality during the PROJECT term or for one year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof."
- H. The provisions of this subsection shall not be applicable to any agreement between the CONTRACTOR and its fiscal depositories or to any agreement for utility services, the rates for which are fixed or controlled by a governmental agency.
34. Lobbying.
- A. The CONTRACTOR agrees that it will not use Federal assistance funds to support lobbying. In accordance with 31 U.S.C. and U.S. DOT Regulations, "New Restrictions on Lobbying," 49 C.F.R. Part 20, if the CONTRACTOR'S PROJECT exceeds \$100,000, FTA will not make any Federal assistance available to the CONTRACTOR until FTA has received the CONTRACTOR'S certification that the CONTRACTOR has not and will not use Federal appropriated funds to pay any person or organization to influence or attempt to influence an officer or employee of any Federal agency, a member of Congress, an officer or employee of congress, or an employee of a member of Congress in connection with the awarding of any Federal grant, cooperative agreement or any other Federal award from which funding for the PROJECT is originally derived, consistent with 31 U.S.C. Section 1352, and;
- B. If applicable, if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with the form instructions.
- C. The CONTRACTOR shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) which exceed \$100,000 and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of facts upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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35. Program Fraud and False or Fraudulent Statements or Related Acts.
- A. The CONTRACTOR acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this PROJECT. Upon execution of an underlying contract, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to that underlying contract or the FTA assisted PROJECT for which this contracted work is being performed. In addition to other penalties that may be applicable, the CONTRACTOR further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the CONTRACTOR to the extent the Federal Government deems appropriate.
 - B. The CONTRACTOR also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a PROJECT that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the CONTRACTOR, to the extent the Federal Government deems appropriate.
 - C. The CONTRACTOR agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that these clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.
36. Contracts Involving Federal Privacy Act Requirements. The following requirements apply to the CONTRACTOR and its employees that administer any system of records on behalf of the Federal Government under any contract:
- A. The CONTRACTOR agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the CONTRACTOR agrees to obtain the express consent of the Federal Government before the CONTRACTOR or its employees operate a system of records on behalf of the Federal Government. The CONTRACTOR understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved and that failure to comply with the terms of the Privacy Act may result in termination of the underlying Agreement.
 - B. The CONTRACTOR also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

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37. Drug-Free Workplace. The CONTRACTOR certifies by signing this Agreement that it will provide a drug-free workplace, and shall establish policy prohibiting activities involving controlled substances in compliance with Government code Section 8355, et seq. The CONTRACTOR is required to include the language of this certification in award documents for all sub-awards at all tiers (including subcontracts, contracts under grants, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. To the extent the CONTRACTOR, any third-party contractor at any tier, any subrecipient at any tier, or their employees, perform a safety sensitive function under the PROJECT, the CONTRACTOR agrees to comply with, and assure the compliance of each affected third-party contractor any tier, each affected subrecipient at any tier, and their employees with 49 U.S.C. Section 5331, and FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug use in Transit Operations," 49 CFR Part 655.
38. Charter Service Operations. The CONTRACTOR agrees to comply with the Charter service operations provisions pursuant to 49 CFR part 604.4, which provides that recipients and subrecipients seeking Federal assistance under the Federal Transit Laws to acquire or operate any public transportation equipment or facilities shall enter into a "Charter Service Agreement" as set out in paragraph (b) of this section. (b) A recipient shall enter into a Charter Service Agreement if it receives Federal funds for equipment or facilities under the Federal Transit Laws. The terms of the Charter Service Agreement are as follows: "The recipient agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with Federal assistance authorized under the Federal Transit Laws only in compliance with the regulations set out in 49 CFR 604, the terms and conditions of which are incorporated herein by reference." (c) The Charter Service Agreement is contained in the Certifications and Assurances published annually by FTA for applicants for Federal financial assistance. Once a recipient receives Federal funds, the Certifications and Assurances become part of its Grant Agreement or Cooperative Agreement for Federal financial assistance. The CONTRACTOR understands that the requirements of 49 CFR part 604.4 will apply to any charter service provided, the definitions in 49 CFR 604.4 apply to this agreement, and any violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.
39. School Bus Operations. Pursuant to 49 U.S.C. 5323(F) and 49 CFR Part 605, the CONTRACTOR agrees that it and all its subcontractors will: (1) engage in school transportation operations in competition with private school transportation operators only to the extent permitted by an exception provided by 49 U.S.C. 5323 (f) and implementing regulations, and (2) comply with requirements of 49 CFR part 605 before providing any school transportation using equipment or facilities acquired with Federal assistance awarded by FTA and authorized by 49 U.S.C. Chapter 53 or Title 23 U.S.C. for transportation projects. The CONTRACTOR understands that the requirements of 49 CFR part 605 will apply to any school transportation it provides, that the definitions of 49 CFR part 605 apply to any school transportation agreement, and a violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.
40. Use of \$1 Coins. As applicable, and to comply with Section 104 of the Presidential \$1 Coin Act of 2006, 31 U.S.C. Section 5312(p), the CONTRACTOR must ensure that FTA assisted property that requires the use of coins or currency in public transportation service or supporting service be fully capable of accepting and dispensing \$1 coins.
41. Protection of Animals. The CONTRACTOR must ensure that all third-party contractors providing services involving the use of animals must comply with the Animal Welfare Act, 7 U.S.C. Sections 2131 et seq. and Department of Agriculture regulations, "Animal Welfare," 9 CFR Subchapter A, Parts 1,2,3, and 4.
42. Additional Termination Clauses.
 - A. Termination for Convenience. When it is in the STATE'S best interest, the STATE reserves the right to terminate this Agreement, in whole or in part, at any time by providing a ten (10) day written notice to the CONTRACTOR. The CONTRACTOR shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The CONTRACTOR shall promptly submit its termination claim to the STATE. If the CONTRACTOR has any property in its possession belonging to the STATE, the CONTRACTOR will account for the same, and dispose of it in the manner the STATE directs.

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- B. Termination for Default. The STATE may terminate this Agreement upon a finding that the CONTRACTOR has not made satisfactory progress toward procuring the PROJECT equipment, services, salary and wages, as appropriate, within twelve (12) months of execution of this Agreement, has not billed for operating assistance funds within twelve (12) months of execution of this Agreement, or that the CONTRACTOR is otherwise not complying with the terms of this Agreement. Termination shall be by written notice specifying the reason for termination and giving the CONTRACTOR thirty (30) days to correct the default. The STATE shall be the sole judge as to whether the CONTRACTOR's corrective measures are adequate. If the CONTRACTOR fails to remedy to STATE's satisfaction the breach or default or any of the terms, covenants, or conditions of this Agreement the STATE shall have the right to terminate the Agreement without any further obligation to the CONTRACTOR. Any such termination for default shall not in any way operate to preclude the STATE from also pursuing all available remedies against the CONTRACTOR. If the contractor has any property in its position belonging to State, the State reserves the right to seize vehicles or equipment procured under this agreement or otherwise instruct the CONTRACTOR to dispose of or return the equipment as set forth in Section 48 of this agreement.
- C. Period of Performance Extension. If it is later determined by the STATE that the CONTRACTOR had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the CONTRACTOR, the STATE, after setting up a new delivery of performance schedule, may allow the CONTRACTOR to continue work, or treat the termination as a termination for convenience.
- D. Mutual Termination. The PROJECT may also be terminated if the STATE and the CONTRACTOR agree that its continuation would not produce beneficial results commensurate with the further expenditure of funds or if there are inadequate funds to operate the PROJECT equipment or otherwise complete the PROJECT.
43. Disputes. The STATE and the CONTRACTOR shall deal in good faith and attempt to resolve potential disputes informally. If the dispute persists, the CONTRACTOR shall submit to the authorized STATE Representative for this Agreement or designee a written demand for a decision regarding the disposition of any dispute arising under this Agreement. The STATE Representative shall make a written decision regarding the dispute and will provide it to the CONTRACTOR. The CONTRACTOR shall have an opportunity to challenge the STATE Representative's determination but must make that challenge in writing within ten (10) working days to the STATE's Chief, Office of Federal Transit Grants or his/her designee. [If the CONTRACTOR challenge is not made within the ten (10) day period, the STATE Representative shall become the final decision of the STATE.] The STATE and the CONTRACTOR shall submit written, factual information and supporting data in support of their respective positions. The decision of the STATE's Chief, Office of Federal Transit Grants or his/her designee shall be final, conclusive and binding regarding the dispute, unless the CONTRACTOR commences an action in court of competent jurisdiction to contest the decision in accordance with Division 3.6 of the California Government Code.
44. Procurement. For all procurements of property, supplies, equipment or services under an FTA assisted grant, the CONTRACTOR shall provide full and open competition and comply with the procurement requirements set forth in 49 U.S.C. Section 5325(a), applicable third-party procurement requirements of 49 U.S.C. chapter 53 and other procurement requirements of Federal laws in effect now or as amended to the extent applicable. The CONTRACTOR shall prepare a bid package, including equipment and material specifications or a scope of work. In accordance with applicable U.S. DOT third-party procurement regulations at 49 C.F.R. § 18.36 and the provisions of FTA Circular 4220.1F, "Third-Party Contracting Guidance," November 1, 2008, and any later revision thereto, the CONTRACTOR agrees that it may not use FTA assistance to support its procurements unless there is satisfactory compliance with Federal laws and regulations including but not limited to the following:

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- A. To state clearly that the final contract award to any bidder requires prior written approval by the STATE and that bids are consistent with the PROJECT equipment description identified in Exhibit A, Scope of Work.
- B. To comply with applicable Federal laws and regulations including, but not limited to, Federal transit laws at 49 U.S.C. Chapter 53, FTA regulations, and other Federal laws and regulations that contain requirements applicable to FTA recipients and their FTA assisted procurements. Also, to include all required Federal procurement provisions in each subcontract financed in whole or in part with Federal assistance provided by FTA.
- C. For all contracts and subcontracts financed with Federal assistance, to comply with cargo preference requirements of 46 U.S.C. § 1241 and 46 CFR Part 381 when contracts involve equipment, materials, or commodities which may be transported by ocean vessels.
- D. To comply with the requirements of 49 U.S.C. § 5323 (c) and FTA regulations, "Bus Testing", 49 C.F.R. Part 665, and any revision thereto.
- E. To comply with the requirements of 49 U.S.C. § 5323(l) and FTA regulations, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases," 49 C.F.R. Part 663, and any revision thereto.
- F. To comply with the requirements of 49 U.S.C. § 5325(b) to award a third-party contract using a competitive procurement process.
- G. In accordance with 49 U.S.C. § 5325(e)(1), in the procurement of rolling stock, may not enter into a multi-year contract to purchase additional rolling stock and replacement parts with options exceeding five (5) years after the date of the original contract.
- H. To comply with 49 U.S.C. § 5325(f), agrees that any third-party contract award it makes for rolling stock will be based on initial capital costs, or on performance, standardization, life cycle costs, and other factors, or on a competitive procurement process.
- I. To comply with the requirements of 49 U.S.C. Section 5323(m) and FTA regulations, "Pre- Award and Post-Delivery Audits of Rolling Stock Purchases, " 49 CFR Part 663, and any revision thereto.
- J. To award a third-party contract using a competitive procurement process in compliance with the requirements of 49 U.S.C. Section 5325.
- K. To comply with the requirements of 49 U.S.C. Section 5318(e) and FTA regulations, "Bus Testing", 49 CFR Part 665, including the certification that before expending any Federal assistance to acquire the first bus of any new bus model or any bus model with a new major change in configuration or components or before authorizing final acceptance of that bus, that model of bus will have been tested at the ALTOONA Bus Research and Testing Center. The CONTRACTOR must obtain the final testing report and provide a copy of the report to the STATE.
- L. To require each bidder to certify that it has complied with 49 CFR 26, which requires each transit vehicle manufacturer to establish annual goals for the participation of disadvantaged business enterprise and to submit those goals to FTA for approval.
- M. To comply with 49 U.S.C. Section 5323(j), FTA's Buy America regulations at 49 CFR Part 661 and any amendments thereto, and any implementing guidance issued by FTA, with respect to each third-party contract.
- N. To meet applicable regulations of 49 CFR Part 663 in the purchase of revenue rolling stock.

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- O. In subcontracts exceeding \$100,000, to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. Section 7401 et. seq. and Clean Water Act, as amended, 33 U.S.C. Section 1251 et. seq. Agrees to report and require each third-party contractor or subcontractor at any tier to report any violation of these requirements resulting from any PROJECT implementation activity of a third-party contractor, subcontractor, or itself to FTA and the appropriate U.S. EPA Regional Office.
- P. To comply with U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. Part 247, which implements section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962. Accordingly, the CONTRACTOR agrees to provide a competitive preference for products and services that conserve natural resources, protect the environment, and are energy efficient, except to the extent that the Federal Government determines otherwise in writing.
- Q. To comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.
- R. To the extent applicable, agrees to conform to the National Intelligent Transportation Systems (ITS) Architecture and Standards as required by SAFETEA-LU § 5307(c), 23 U.S.C. § 512 note, and follow the provisions of FTA Notice, "FTA National ITS Architecture Policy on Transit PROJECTs," 66 Fed. Reg. 1455 et seq., January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.
- S. In accordance with 40 CFR Part 85, "Control of Air Pollution from Mobile Sources," 40 CFR Part 86, "Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines," and 40 CFR Part 600, "Fuel Economy of Motor Vehicles, the CONTRACTOR must include provisions in all third-party contract for procurement of rolling stock to ensure compliance with applicable Federal air pollution control and fuel economy regulations.
- T. CONTRACTOR shall refer to FTA "Best Practices Procurement Manual" for additional procurement guidance on procurement processes and any omissions applicable to the PROJECT. The CONTRACTOR'S failure to comply with all mandates shall constitute a material breach of this Agreement.
- U. CONTRACTOR must comply with applicable cost principles circulars, current in Title 2 of the Code of Federal Regulations, in determining whether project costs are allowable or unallowable. Title 2 CFR Part 225, previously OMB Circular A-87, establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with State and local governments and federally recognized Indian tribal governments. 2 CFR Part 230 previously OMB Circular A-122, establishes cost principles for nonprofits. Where applicable, CONTRACTOR must comply with cost principles of FAR 31.2.
- V. CONTRACTOR must have written protest procedures covering the pre-bid/pre-proposal, post proposal, and post award processes, and shall in all instances disclose to all bidders the CONTRACTOR's protest and the STATE's appeal procedures. All CONTRACTOR's protest decisions must be dated and in writing. A protester must exhaust all administrative remedies with the CONTRACTOR before pursuing an appeal with the STATE. Reviews of protests by the STATE will be limited to:
 - 1. CONTRACTOR's failure to have or follow its own protest procedures, or its failure to review a complaint or protest
 - 2. Violations of the Federal or State law or regulation.

An appeal to the STATE must be received or postmarked ten (10) calendar days (includes mailing time) from the date of the protest decision (See Exhibit A, 2 for contact person and his/her address).

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45. **Bid Proposal and Contract Award.** All bid solicitation documents, proposed vendor selection and request for non-competitive bid must be reviewed and approved by the STATE prior to the award of the contract. No award shall be made without the written approval from the STATE. The CONTRACTOR (or procurement agent acting on its behalf) shall prepare the bid documents, solicit and receive competitive bids or proposals, shall evaluate the bids or proposals received, and shall select the lowest price compliant bid for award.
- A. The CONTRACTOR (or procurement agency acting on its behalf) shall forward to the STATE, at least thirty (30) days prior to the release of the bid solicitation, a copy of the bid solicitation document proposed contract, and bidders list.
 - B. Prior to contract award, the CONTRACTOR (or procurement agency acting on its behalf) shall forward to STATE a list of all bids, proposals, or price quotations received, a copy of the selected bid or proposal, copy of the bids or proposals of all those whose prices are lower than the selected vendor's, an explanation of the basis for selecting the selected vendor and for rejecting lower bids (if any). In the case of a single bid, sole source, or negotiated price contract, this shall include a statement by the CONTRACTOR that the price is fair and reasonable and the basis for that determination (FTA Circular C 4220.1F "Third-party Contracting Guidance").
 - C. All third-party contracts, subcontracts and contract modifications funded under the PROJECT shall include essential elements including, but not restricted to, the following: parties, price or rate of compensation, scope of work, contract time line, contract termination and other legal considerations.
 - D. CONTRACTOR to perform a cost or price analysis in connection with every procurement action funded under the PROJECT, including contract modifications. Prior to receiving bids or proposals CONTRACTOR must make independent cost estimates to determine price reasonableness.
46. **FTA Regulations, Policies, Procedures and Directives.** The CONTRACTOR shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Agreement (Form FTA MA (15) dated October, 2008) between the STATE and FTA, as they may be amended or promulgated from time to time during the term of this Agreement. The CONTRACTOR's failure to so comply shall constitute a material breach of this Agreement. In the event any portion, term, condition or provision of this Agreement should be deemed illegal or in conflict with the laws of the State of California or with Federal law or otherwise be unenforceable, the remaining portion, terms, conditions or provisions shall not be affected thereby.
47. **Amendments to Federal, State and Local Laws, Regulations and Directives.** The terms of the most recent amendment to any Federal, State, or local laws, regulations, FTA directives, and amendments to the grant or cooperative contract that may be subsequently adopted, are applicable to the PROJECT to the maximum extent feasible, unless FTA provides otherwise in writing.
48. **Disposition of Equipment or Property.** The disposition of all PROJECT equipment or property shall be made in accordance with the requirements of 49 C.F.R. Part 19, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" and FTA C 9070.1F (Section 5310) and 49 U.S.C. § 5310. Whenever any PROJECT equipment is withdrawn from the PROJECT for any reason, the CONTRACTOR shall immediately notify the STATE. Should the PROJECT be terminated, all property procured under this agreement becomes property of the STATE and may be transferred to other eligible contractors at the sole discretion of the STATE. At the option of the STATE, the CONTRACTOR shall do one of the following:
- A. **Written Notice of Termination.** The STATE may terminate this contract upon finding that the CONTRACTOR is not operating the PROJECT equipment in accordance with the project description in Exhibit A, Scope of Work, or that the CONTRACTOR is otherwise not complying with the terms of this contract. Termination shall be by written notice specifying the reason for termination and giving the CONTRACTOR thirty (30) days to correct the default. The STATE shall be the sole judge as to whether the CONTRACTOR'S corrective measures are adequate. If CONTRACTOR fails to remedy to STATE'S satisfaction the breach or default or any of the terms, covenants, or conditions of this contract the STATE shall have the right to terminate the contract without any further obligation to the CONTRACTOR. Any such termination for default shall not in any way operate to preclude the STATE from also pursuing all available remedies against CONTRACTOR and its sureties for said breach or default. Once a contract has been terminated within the provisions of this section, the STATE reserves the right to seize vehicles or equipment procured under this agreement.

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- B. Remit to the STATE the proportional amount of current market value that exceeds \$5,000 per unit at the time of disposition, if any, of PROJECT equipment which shall be based on the percentage of the FTA grant funds paid by CONTRACTOR under this agreement. Fair market value shall be deemed to be the value of the PROJECT equipment as determined by a competent appraisal at the time the equipment is withdrawn from use; and
 - C. Return the equipment to the STATE in the same condition as when received by the CONTRACTOR, except for reasonable wear and tear resulting from its use. The parties shall thereupon determine the amount of compensation, if any, to be paid by the CONTRACTOR to the STATE in order to avoid any STATE liability to FTA or to others.
49. Property Maintenance and Inspection. While the PROJECT is in the possession or control of the CONTRACTOR, the CONTRACTOR shall operate or maintain the PROJECT in accordance with detailed maintenance and inspection schedules provided by the manufacturer, keeping a written log or record of all repairs and maintenance. STATE and the FTA shall have the right to conduct periodic inspections for the purpose of confirming the existence, condition, and proper maintenance of the PROJECT. No alterations may be made to the PROJECT in its as-received condition without first receiving written approval from STATE.
50. Insurance.
- A. While the PROJECT equipment is in the possession or control of the CONTRACTOR, the CONTRACTOR shall maintain adequate insurance protection against liability for damages for personal bodily injuries (including death), property damage, and vehicle damage as conditioned in this section.
 - B. The minimum limits of liability, shown below in parts J and K, may be increased by the STATE at any time upon thirty (30) days notice to the CONTRACTOR.
 - C. The CONTRACTOR shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the STATE. This insurance shall include a provision designating the State of California, Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).
 - D. The STATE, its officers, employees, and agents shall be named as additional insured.
 - E. The STATE is designated as the Loss Payee for claims of damage to the insured vehicle(s).
 - F. The STATE will not be responsible for any premiums or assessments on the policy.
 - G. The CONTRACTOR, and/or third-party subcontractor, shall furnish to the STATE, before delivery of the PROJECT vehicle(s) to the CONTRACTOR, a certificate of insurance issued by a company licensed to write such insurance in California.
 - H. Prior to the annual insurance policy expiration date, the CONTRACTOR shall furnish to the STATE a new certificate of insurance or other written evidence of insurance satisfactory to the STATE. At any time that such evidence of insurance has not been provided, the STATE shall have the right immediately to take possession of the PROJECT equipment and to enter the property of the CONTRACTOR for this purpose.

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- I. The CONTRACTOR shall provide the STATE at least thirty (30) days notice of cancellation or material change of the vehicle insurance policy.
- J. Public Agency or For-Profit CONTRACTORS. The following terms apply to all CONTRACTORS who are defined as a Public Agency or For-Profit entity, regardless if they are providing the service as the prime CONTRACTOR or subcontractor:
 - 1. **Property Damage:** The CONTRACTOR shall place property damage, whether the property of one or more claimants, in an amount not less than one million five hundred thousand dollars (\$1,500,000) per occurrence (combined single limit) for property damage liability combined in respect to vehicles with seating capacity of fifteen (15) or less, or five million dollars (\$5,000,000) per occurrence for property damage liability combined in respect to vehicles with seating capacity of sixteen (16) or more.
 - 2. **Bodily Injury:** The CONTRACTOR shall place bodily injury in an amount not less than one million five hundred thousand dollars (\$1,500,000) per occurrence (combined single limit) in respect to vehicles with seating capacity of fifteen (15) or less, or five million dollars (\$5,000,000) per occurrence for bodily injury in respect to vehicles with seating capacity of sixteen (16) or more.
 - 3. **Vehicle Physical Damage:** The CONTRACTOR shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the STATE. This insurance shall include a provision designating the State of California, Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).
- K. **Non-Profit Agencies:** The following terms apply to all CONTRACTORS who are defined as a non-profit agency, regardless if they are providing the service as the prime CONTRACTOR or subcontractor:
 - 1. **Property Damage:** The CONTRACTOR shall place property damage, whether the property of one or more claimants, in an amount not less than one million dollars (\$1,000,000) per occurrence (combined single limit) for property damage liability combined in respect to vehicles with seating capacity of fifteen (15) or less, or one million five hundred thousand dollars (\$1,500,000) per occurrence for property damage liability combined in respect to vehicles with seating capacity of sixteen (16) or more.
 - 2. **Bodily Injury:** The CONTRACTOR shall place bodily injury in an amount not less than one million dollars (\$1,000,000) per occurrence (combined single limit) in respect to vehicles with seating capacity of fifteen (15) or less, or one million five hundred thousand dollars (\$1,500,000) per occurrence for bodily injury in respect to vehicles with seating capacity of sixteen (16) or more.
 - 3. **Vehicle Physical Damage:** The CONTRACTOR shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the STATE. This insurance shall include a provision designating the State of California, Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).

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51. Excise Tax. The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The STATE will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.
52. Potential Subcontractors
- A. No Relationship Between STATE and Third-Party Contractor. Nothing contained in this Agreement or otherwise, shall create any contractual relation, obligation or liability between the STATE and any third-party contractors, and no third-party agreement shall relieve the CONTRACTOR of his responsibilities and obligations hereunder. The CONTRACTOR agrees to be as fully responsible to the STATE for the acts and omissions of its third-party contractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the CONTRACTOR. The CONTRACTOR'S obligation to pay its third-party contractors is an independent obligation from the STATE'S obligation to make payments to the CONTRACTOR. As a result, the STATE shall have no obligation to pay or to enforce the payment of any moneys to any third-party contractor.
- B. Third-Party Contracts and Subagreements Affected. To the extent applicable, Federal requirements extend to third-party contractors and their contracts at every tier, and to the subcontractors of third-party contractors and their subagreements at every tier. Accordingly, the CONTRACTOR agrees to include, and to require its third-party contractors to include appropriate clauses in each third-party contract and each subagreement financed in whole or in part with financial assistance provided by FTA.
- C. No Federal Government Obligations to Third Parties. The CONTRACTOR agrees that, absent of the Federal Government's express written consent, the Federal Government shall not be subject to any obligations or liabilities to any contractor, any third-party contractor, or any other person not a party to the Grant Agreement in connection with the performance of the PROJECT. Notwithstanding any concurrence provided by the Federal Government in or approval of any solicitation, or third-party agreement, the Federal Government continues to have no obligation or liabilities to any party, including the CONTRACTOR or third-party contractor.
- D. Obligations on Behalf of the STATE. The CONTRACTOR shall have no authority to contract for or on behalf of, or incur obligations on behalf of the STATE.
- E. STATE Approval of All Third-Party Contracts. The STATE shall approve in writing all proposed third-party contract agreements, Memorandums of Understanding (MOU), or similar documents relating to the performance of the Agreement prior to implementation. The CONTRACTOR agrees that it will not enter into any third-party contracts unless the same are approved in writing by the STATE. Any proposed amendments to such third-party contracts must be approved by the STATE prior to implementation.
53. Narrowband Migration Deadline. The CONTRACTOR must comply with the Federal Communications Commission Public Notice DA09-2589 deadline for private land mobile radio services in the 150-174 MHz and 421-512 MHz bands which will migrate to narrowband (12.5 kHz or narrower) technology effective January 1, 2013.
54. Indemnification. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CONTRACTOR and/or its agents under or in connection with any work, authority or jurisdiction conferred upon CONTRACTOR under this Agreement. It is understood and agreed that CONTRACTOR and/or its agents shall fully defend, indemnify and save harmless STATE and all its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CONTRACTOR and/or its agents under this Agreement, employees, representatives, and agents.

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SECTION 5311

SPECIAL TERMS AND CONDITIONS

1. Private for profit. The CONTRACTOR assures and certifies that private for profit transit operators have been afforded a fair and timely opportunity to participate to the maximum extent feasible in the planning and provision of the proposed transportation services.
2. Environmental Impact and Related Procedures. The CONTRACTOR assures and certifies that the PROJECT complies with regulations of 23 CFR Part 771.
3. Research, Development, Demonstration, Deployment, and Special Studies. In accordance with 37 CFR Part 401, 49 CFR Parts 18 and 19, the CONTRACTOR must comply with patent and rights in data requirements for federally assisted contracts involving experimental, developmental or research work.
4. Useful Life Standard. In accordance with FTA Circular 5010.1D, the following Useful Life Standards shall determine when PROJECT property will no longer be subject to monitoring and reporting requirements once the CONTRACTOR notifies the STATE in writing. This criteria is subject to review by the 5311 Branch Chief if either factor is less than the value shown herein.

Large Size, Heavy-Duty Transit Buses	12 years or 500,000 miles
Small Size, Heavy-Duty Transit Buses	10 years or 350,000 miles
Medium Size, Medium-Duty Transit Buses	7 years or 200,000 miles
Medium Size, Light-Duty Transit Buses	5 years or 150,000 miles
Other Light-Duty Vehicles (Small Buses & Specialized Vans)	4 years or 100,000 miles
Bus Shelters	10 years
Facilities (Concrete, Steel, and Frame Construction)	40 years

In reference to rolling stock, while age and mileage are the primary criteria used to determine the useful life of vehicles, this determination is based on the date the vehicle was put into active service, not the actual model year of the vehicle.

5. Disposition.
 - A. The disposition of all PROJECT equipment or property shall be made in accordance with FTA's implementing regulations of 49 CFR Part 18 and FTA Circular 9040.1F (Section 5311) and 49 U.S.C. § 5311. Prior to the disposition of any FTA funded capital equipment including rolling stock and facilities, the CONTRACTOR must submit to the STATE a report that identifies the capital equipment to be retired or disposed of. The report will be used to verify that a vehicle has met the minimum useful life, as established in Section 4 of this Exhibit, and that there is no remaining Federal interest. The report must include the following information:
 1. Equipment Serial Identification Number or Vehicle Identification Number or Property Location;
 2. Make and Model of the equipment;
 3. Date when equipment was placed into service;
 4. Current age and mileage of rolling stock;
 5. Established minimum useful life period (include miles for rolling stock);
 6. Proposed date of removal from service;
 7. Disposition outcome (sale, transfer, use as backup);
 8. Current market value; and

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9. Proposed anticipated spare ratio.
- B. Whenever any PROJECT property is withdrawn from the service for any reason prior to meeting the Useful Life standard, and at the direction of the STATE, the CONTRACTOR shall be required to do one of the following:
1. Remit to the STATE, for repayment to the FTA, a proportional amount of the fair market value of the property, which shall be determined on the basis of the ratio of the Federal grant funds paid under this Agreement to the actual purchase cost of the property. Fair market value shall be deemed to be the unamortized value of the remaining service life per unit, based on a straight-line depreciation of the original purchase price, or the Federal share of the sales price.
 2. Relinquish the property to the STATE in the same condition as when received by the CONTRACTOR except for reasonable wear and tear resulting from its use. The parties shall thereupon determine the amount of compensation, if any, to be paid by the CONTRACTOR to the STATE in order to avoid any STATE liability to FTA or to others. Upon subsequent disposal of the property, the STATE shall reimburse the CONTRACTOR for its proportional amount of the property value received or identified by the STATE, if any.
 3. When PROJECT property is lost or damaged by fire, casualty, or natural disaster, the fair market value shall be calculated on the basis of the condition of the property immediately before the fire, casualty, or natural disaster, irrespective of the extent of insurance coverage. Based on the calculation, the proceeds shall be applied to the cost of replacing the damaged or destroyed PROJECT property taken out of service.
 4. If any damage to PROJECT property results from abuse or misuse occurring with the CONTRACTOR's knowledge and consent, the CONTRACTOR agrees to restore the PROJECT property to its original condition or refund the value of the Federal interest in that property to the STATE.
- C. When any PROJECT property is withdrawn from service after it has met its Useful Life standard, and at the direction of the STATE, the CONTRACTOR shall be required to do one of the following:
1. For PROJECT property with Fair Market Value Greater Than or Equal to \$5,000. The CONTRACTOR will remain the registered owner and the lien holder. Should the CONTRACTOR choose to sell the property, the STATE must be notified in advance of the pending sale and outline in writing the terms of the sale and the intended use of the sale revenue. All sale revenue must be retained in the CONTRACTOR's transportation program. Supporting documentation on the use of sale revenue must be provided to the STATE upon request.
 2. For PROJECT property with Fair Market Value Less Than \$5,000. The CONTRACTOR will remain the registered owner and the lien holder. All proceeds from the sale of PROJECT property must be retained in the CONTRACTOR's transportation program. Supporting documentation on the use of sale revenue must be provided to the STATE upon request.
6. Complementary Paratransit Service. The CONTRACTOR, providing complementary paratransit service, certifies that they have submitted to the STATE an initial plan for compliance with the complementary paratransit service provision by January 26, 1992, as required by 49 CFR Part 37, and have provided the STATE annual updates to its plan each year, as required by 49 CFR Part 37, Section 139[j].
7. Reporting Requirements. Upon request by the STATE, the CONTRACTOR must submit the following reports (Failure to meet these requirements may result in withholding of all invoice payments):
- A. National Transit Data (NTD) Reporting. CONTRACTOR shall submit their data to Caltrans (Department) in a timely manner annually, per due dates as directed by the Department NTD annual reporting is required by FTA Circular 9040.1F, Section 12[e].

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- B. Drug & Alcohol Management Information System (MIS) Reporting. CONTRACTOR shall submit their MIS data annually, as required by FTA Circular 9040.1F, Section 14.
 - C. Disadvantaged Business Enterprise Reporting. CONTRACTOR shall report their DBE participation in their Other Equipment procurement opportunities using the STATE'S DBE Award/Commitments biannually and Actual Payments forms to be provided by the STATE at the time of submittal of the final request for reimbursement. Additional DBE requirements are provided at Exhibit C Part 28.
 - D. Milestone Reporting. The CONTRACTOR shall submit a semi-annual report of its use of the Capital PROJECT (vehicles, facilities, and other equipment), and an annual report of progress made for Operating Assistance PROJECT within thirty (30) calendar days after the close of each federal reporting period. The federal reporting periods for Capital PROJECT are October 1 through March 31 and April 1 through September 30. The federal reporting period for Operating Assistance PROJECT is October 1 through September 30. Semi-annual reports are due no later than April 30 for the first half and October 30 for the second half. Annual reports are due no later than October 30. The report shall contain information requested by the STATE to indicate the extent to which the CONTRACTOR is carrying out the PROJECT in accordance with the terms of this contract.
 - E. Federal Funding Accountability and Transparency Act (FFATA) Reporting. CONTRACTOR and SUBCONTRACTOR shall submit their FFATA reporting, as required by the FFATA Public Law 109-282, 31 U.S.C. 6101.
8. This Agreement may be amended in writing, by mutual consent of the parties, on a case-by-case basis where warranted. The request for an amendment must be made in writing to the Division of Rail and Mass Transportation, Chief of Rural Transit and Intercity Bus Branch, at least one month before the Agreement expiration date.
9. The CONTRACTOR agrees to comply with applicable transit employee protective requirements as follows:
- A. Transit Employee Protective Requirements for PROJECTs Authorized by 49 U.S.C. § 5311 in Nonurbanized Areas - If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5311, the CONTRACTOR agrees to comply with the terms and conditions of the Special Warranty for the Nonurbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.
 - B. The CONTRACTOR also agrees to include any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.
10. Purchase Order. Upon approval by the STATE of a procurement award, the CONTRACTOR (or procurement agent acting on its behalf) may issue a purchase order for the PROJECT equipment. Each purchase order shall:
- A. Be consistent with the approved bid award;
 - B. Include a reference to the STATE's contract number assigned this Agreement.
11. Property Ownership and Relinquishment. At all times while the PROJECT property is in the possession or control of the CONTRACTOR, the CONTRACTOR shall be the registered owner and STATE shall be the legal owner or lien holder. The CONTRACTOR shall not transfer ownership of the PROJECT property at any time while this Agreement is in effect. As the lien holder, the STATE may take possession of the PROJECT property, as a result of the CONTRACTOR's non-compliance with contract terms or by mutual agreement between the STATE and the CONTRACTOR. The STATE shall retain the original Certificate of Title until such time that disposition of the PROJECT property is released by the STATE to the CONTRACTOR or other appropriate party as outlined in Exhibit D, Paragraph 4.
12. Liability Insurance. In addition to Exhibit C, Section 55, under Insurance, the following provisions will also apply:

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- A. The CONTRACTOR is responsible for any deductible or self-insured retention contained within the insurance program.
 - B. Coverage must be in force for the complete term of this Agreement. If insurance expires during the term of the Agreement, a new certificate must be received by the STATE at least ten (10) days after the expiration of this insurance. This new insurance must still meet the terms of this Agreement.
 - C. In the event CONTRACTOR fails to keep in effect at all times the specified insurance coverage, the STATE may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of the Agreement.
 - D. Any insurance required to be carried shall be primary, and not excess, to any other insurance carried by the STATE.
 - 1. Commercial General Liability
 - a. The limits of liability shall be at least
 - i. \$2,000,000 for each occurrence (combined single limit for bodily injury and property damage).
 - ii. \$2,000,000 aggregate for products completed operations
 - iii. \$4,000,000 general aggregate. This general aggregate limit shall apply separately to the CONTRACTOR's work under this Agreement.
 - iv. \$15,000,000 umbrella or excess liability. For projects over \$25,000,000 only, an additional \$10,000,000 umbrella or excess liability (for a total of \$25,000,000). Umbrella or excess policy shall include products liability completed operations coverage and may be subject to \$15,000,000 or \$25,000,000 aggregate limits. Further, the umbrella or excess policy shall contain a clause stating that it takes effect (drops down) in the event the primary limits are impaired or exhausted.
 - b. The STATE, including their officers, directors, agents, and employees, shall be named as additional insureds under the Commercial General Liability policy with respect to liability arising out of or connected with work or operations performed by or on behalf of CONTRACTOR under this Agreement.
 - c. The policy shall stipulate that the insurance afforded the additional insureds shall apply as primary insurance. Any other insurance or self-insurance maintained by the STATE will be excess only and shall not be called upon to contribute with this insurance.
13. Loss or Damage to PROJECT Equipment. The CONTRACTOR shall notify the STATE within ten (10) working days of any loss or damage to PROJECT equipment, including, but not limited to loss by accident, fire, vandalism, or theft.
14. Third Party Construction Contract.
- A. Davis-Bacon. In accordance with the requirements of 49 U.S.C. § 5333(a) and the implementing regulations of 29 CFR Part 5, to comply with the employee protection requirements of the Davis-Bacon Act for construction activities exceeding \$2,000 performed in connection with the PROJECT. The Davis-Bacon Act applies to contracts in excess of \$2,000 for construction, alteration, or repair of public buildings or public works and requires the inclusion of a clause that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Secretary of Labor.
 - B. Bonding. For construction or facility improvement contracts or subcontracts exceeding \$100,000, the following

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bonding requirements must be included: Bid guarantee from each bidder equivalent to five (5%) percent of the bid price; performance bond on the part of the CONTRACTOR for 100 percent of the contract price; and payment bond in the amount of (1) 50% of the contract price if the contract price is not more than \$1 million or, (2) 40% of the contract price if the contract price is more than \$1 million but not more than \$5 million, or (3) \$2.5 million if the contract price is more than \$5 million.

- C. Copeland Anti-Kickback. For construction or facility improvement contracts or subcontracts exceeding \$100,000 and in accordance with 18 U.S.C. Section 874, Copeland "Anti-Kickback" Act, 29 CFR Part 3, the CONTRACTOR and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States," the CONTRACTOR and subcontractors are prohibited from inducing, by any means, any employee, to give up any part of his or her compensation to which he or she is otherwise entitled.
- D. Construction Safety. As prohibited by the safety requirements of Section 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. Section 3704 and 29 CFR Part 1926, "Safety and Health Regulations for Construction," the CONTRACTOR and subcontractors must ensure safety at construction sites so that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous.

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EXHIBIT E**Section 5333(b) (formerly Section 13(c)) Documentation
and
Agreement by Subrecipient to Terms and Conditions
of the Special Section 5333(b) Warranty****1. Name and Address of Subrecipient:**

City of California City
21000 Hacienda Blvd.
California City, CA, 93505

2. Project Description(s):

- ☐ Operating assistance for public transportation service during the operating period of
- ☐ Purchase of vehicles, and/or other capital equipment for

3. County and Service Area of Project:

Kern County

4. List of all current operators of public transportation (including your system) and corresponding labor organizations (if applicable) representing the employees of the providers in the above service area that are eligible or potentially eligible recipients of federal Section 5311 or 5311(f) funding assistance even if they are not currently recipients. Exclude human service agency providers from this list unless they provide transportation to the general public; exclude taxi operators unless they provide shared-ride transportation on a regular and continuing basis.

<u>Public Transportation Operators</u>	<u>Labor Organization (or N/A)</u>

5. Certification I certify for the Subrecipient that, with respect to the subject Section 5311 or 5311(f) project, I have reviewed the Special Section 5333(b) Warranty for the Section 5311 program including the Model Agreement which is a part thereof, and with full knowledge of the terms and conditions of said Warranty and Model Agreement, I certify that the Subrecipient agrees to comply with the terms and conditions of said Warranty and Model Agreement for the duration of the Section 5311 or 5311(f) project and, further, that these terms and conditions will be a part of any and all agreements and contracts between or among the Federal Government, the State of California, the Subrecipient, entered into with respect to the subject Section 5311 or 5311(f) project.

Also, I acknowledge that, for the purposes of the Special Section 5333(b) Warranty for the Section 5311 Program, the State of California is neither the legally nor financially responsible party under the Special Warranty, and the State assumes no special obligations under the Special Warranty that are not otherwise part of its normal obligations as a grant administering agency.

Rudy Hernandez, Finance Director

(Print Name and Title of Authorized Subrecipient)

STAFF REPORT
For
City Council

Council Meeting Date: December 22, 2015

To: Mayor and Council

From: Chief Eric Hurtado

Subject: Temporary – Acting Position Rotation

Background:

The Police Department currently has (1) one acting Police Corporal Position and (1) acting Police Sergeant position. These positions are temporary for up to 1-year.

Currently, there is only (1) officer qualified to fill the temporary Acting Sergeant position and at this time will remain in this position for up to 1-Year (No longer than October 2016).

I have several Police Officers that qualify to hold the position as Acting Corporal. This position will be rotated through the qualified officers while the vacancy exists.

I will be rotating these officers to the position of Acting Corporal for up to 90 days. The officer would be entitled to 5% acting pay while they cover this vacancy. After the 90 days have elapsed the Officer would return back to their original rate.

The position for Acting Corporal position was approved by City Council in October 2015.

Recommendations:

Continue to allow the rotation of officers for the temporary position of "Acting Corporal" as appointed by the Chief of Police.

FISCAL IMPACT:

Incentive for "Acting" position is 5% of hourly rate. Approximate Fiscal Impact for the next 90 days would be \$202.00. This would be funded through fund 18-4212-110.

The Finance Director has reviewed the staff report and finds the recommendations to be within the budget constraints of the Department.

ENVIRONMENTAL IMPACT:

None.

Submitted: Chief Hurtado

/ / /

CITY COUNCIL

December 22, 2015

TO: Mayor and City Council
FROM: Tom Weil
SUBJECT: California City Kiosk Project

BACKGROUND

The organizations of our City have long yearned for a Kiosk type monument that could display the emblems of each of the. Earlier this year Adam Barragan accepted the challenge as his Eagle Scout Project. Adam, as of December 15, 2015, has raised \$3,672.00 from organizations and citizens in our community. That money has been deposited in City's Account #10-3617. Adam, with help created a material list and asked Ace City Hardware, Lowe's, and Home Depot for quotes on the material. Ace City Hardware was the lowest most responsive quote at \$4,541.52 (Lowe's and Home Depot are not able to fabricate the steel columns). There will also be an additional cost for concrete for the foundation. The foundation will require approximately 7 yards of concrete. The concrete will be ordered from Robertson's at a cost of approximately \$875. The plans for this structure have been approved by a structural engineer and the location of the Kiosk, on the Southwest corner of CCB and Yerba, has been verified through a title report to be in the City's easement on Parcel # 302-130-08.

RECOMMENDATION

Staff recommends that the City Council fund the difference of \$1,744.52 needed to build the Kiosk.

ATTACHMENTS

Blue Prints, and Material Quote

FISCAL IMPACT

\$ 4,541.52	Ace Hardware Quote
\$ 875.00	Robertson's Quote
\$ 5,416.52	Estimated project cost
\$ 3,672.00	Donations received as of 12/15/15
\$ 1,744.52	Balance to be funded by Council Special Projects Account# 10-4161-740

The Finance Director has reviewed the staff report and finds the recommendations to be within the budget constraints of the Department.

ENVIRONMENTAL ACTION N/A

TR 2726

CITY R/W

YERBA BLVD.

EP

95'

37.8'

NE COR OF
SEC 28

SECTION LINE

CAL-CITY BLVD.

HIGH PRESSURE GAS
LINE (FIELD VERIFY
LOC. BY USA)

37.5'

15'

EP

60'

EX STORM DRAIN
HEADWALL

PROPOSED KIOSK
LOCATION

SECTION LINE

APN 302-130-07



UTILITIES AND STORM
DRAINAGE EASEMENT
(TO BE VERIFIED)

APN 302-130-08

NORTH
R/W

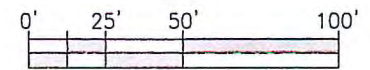
SECTION LINE

SOUTH
EASEMENT

UTILITIES
EASEMENT

(E) DESERT
TERRAIN

8" GAS LINE (CALL USA)



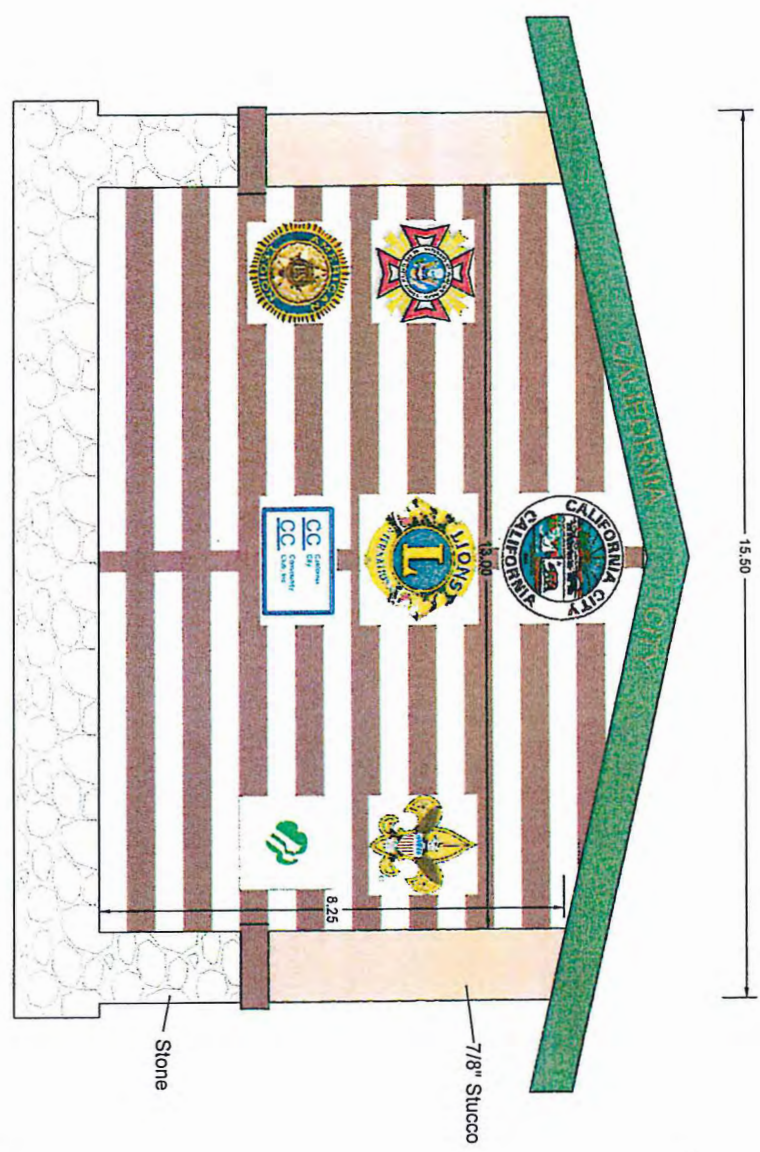
1" = 50'

01

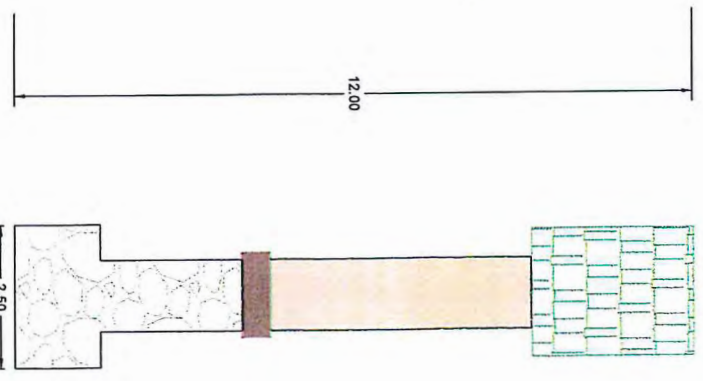
CALIFORNIA CITY BLVD.

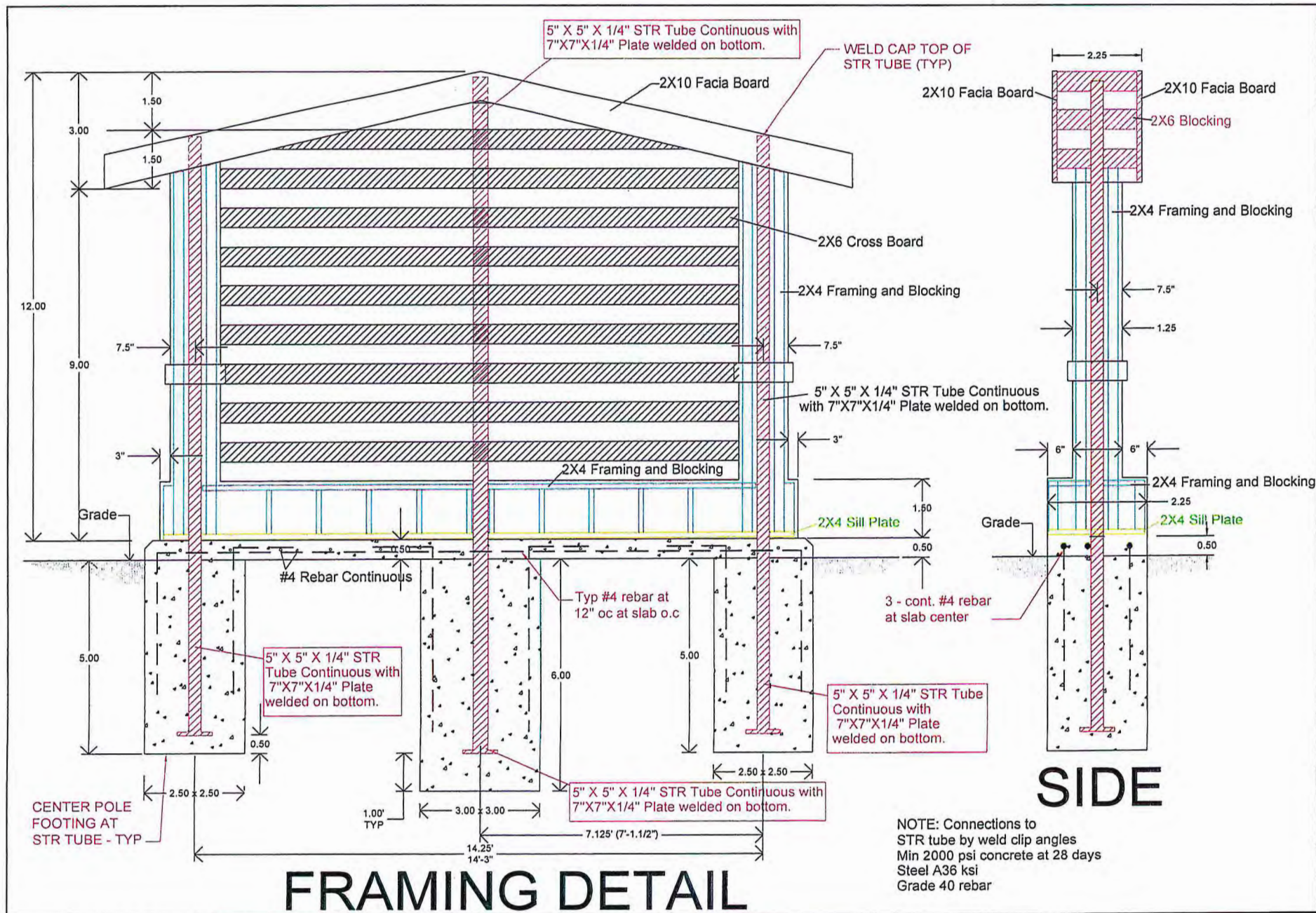
NTS

FRONT ELEVATION



SIDE ELEVATION





*** QUOTE ***

Page 1

Ace City Hardware
7594 California City Blvd
California City Ca 93505
760-373-1116

Bill To:
Customer # 100845
SCOUT ISLAND PROJECT
21000 HACIENDA
CALIFORNIA CITY, CA 93505

Date: 12/15/2015 Time: 03:23:16 PM - Transaction#: D1238
Associate: KSS

Qty	Description ProductCode	Unit Note	Price	Tax	Extended
5.00	2X4X8 GREEN MUDSILL 248MS	EACH SKU#	\$9.99	T	\$49.95
5.00	2X10X10 D.F. 21010	EACH SKU#	\$16.99	T	\$84.95
45.00	2X4X10 DF 2410	EACH SKU# 0106610	\$5.99	T	\$269.55
4.00	2X6X8 DF #2BETTER 268	EACH SKU# 0101208	\$4.99	T	\$19.96
10.00	2x6x16' df 2616	EACH SKU#	\$9.99	T	\$99.90
8.00	PLYWOOD 1/2" OSB PLY1/2OSB	EACH SKU#	\$19.99	T	\$159.92
8.00	REBAR 1/2""X20'#4 REBAR1/2	EACH SKU# 5910040	\$6.99	T	\$55.92
12.00	ANCHOR BOLT 5/8X12"" AB5/812	EACH SKU# 062663	\$1.59	T	\$19.08
13.00	LEDGESTONE FSTK SABLE M	EACH SKU#	\$69.99	T	\$909.87
10.00	18S50708CR LEDGESTONE FSTK SABLE FL M	EACH SKU#	\$59.99	T	\$599.90
10.00	18S50708 STUCCO CORNERBEAD 10' BUL MESCB10	EACH SKU#	\$2.49	T	\$24.90
5.00	STUCCO WEEP SCREED PERF F MEPMS1	EACH SKU# 080581	\$6.99	T	\$34.95
1.00	JUMBO TEX JUMBOTEX	EACH SKU# 020553	\$9.99	T	\$9.99
3.00	STUCCO-NET PAPER BACK/100 STUCCO WIRE 2	EACH SKU# 070812	\$79.99	T	\$239.97
10.00	CONC 94# PLASTIC CEMENT CONC02	EACH SKU# 212194	\$11.49	T	\$114.90
4.00	STUCCO COLOR X-72- ADOBE 4872700039	EACH SKU# X-72	\$4.99	T	\$19.96
4.00	STUCCO COLOR BASE 100	EACH	\$19.99	T	\$79.96

*** QUOTE ***

Page 2

Ace City Hardware
7594 California City Blvd
California City Ca 93505
760-373-1116

Bill To:
Customer # 100845
SCOUT ISLAND PROJECT
21000 HACIENDA
CALIFORNIA CITY, CA 93505

Date: 12/15/2015 Time: 03:23:16 PM - Transaction#: D1238
Associate: KSS

Qty	Description ProductCode	Unit Note	Price	Tax	Extended
	6022605249	SKU#			
1.00	ROOF RIDGE FOREST GREEN	EACH	\$39.99	T	\$39.99
	ROOF12	SKU# RR8BS			
5.00	ROOF SHINGLE DIM FOREST G	EACH	\$32.99	T	\$164.95
	ROOF14	SKU#			
6.00	FLASHING 2X2 W/KICK BROWN	EACH	\$7.49	T	\$44.94
	MEEDK22B	SKU# 1150x3-b			
1.00	FELT ROOFING 30# 216SQFT	EACH	\$25.99	T	\$25.99
	896287000020	SKU# 53160			
4.00	PAINT C&K INT FLT NEUT GA	EACH	\$29.99	T	\$119.96
	082901255659	SKU# 1429851			
4.00	ECOLOGY RECOVERY FEE GAL	EACH	\$0.75	T	\$3.00
	ECOGAL	SKU#			
3.00	BRUSH SASH 2" ANGLE	EACH	\$6.99	T	\$20.97
	077089216035	SKU# 2828556			
2.00	ROLLER COVER 9"X1" NAP	EACH	\$4.99	T	\$9.98
	077089146127	SKU# 6842348			
2.00	TAPE MASK2"X60YD 3M	EACH	\$8.49	T	\$16.98
	051115036835	SKU# 1010354			
2.00	DUCT TAPE 60YDS RED ACE	EACH	\$8.99	T	\$17.98
	082901088134	SKU# 4172839			
2.00	DROPCLOTH 10' X 20' 1MIL	EACH	\$4.49	T	\$8.98
	082901228349	SKU# 11166			
3.00	STEEL 5"X5"X1/4" X 20'	EACH	\$249.99	T	\$749.97
	M	SKU#			
3.00	STEEL 7"X7"X1/4" PLATE	EACH	\$19.99	T	\$59.97
	M	SKU#			
1.00	FABRICATION CHARGE	EACH	\$100.00	N	\$100.00
	LABOR	SKU#			

=====
*** QUOTE ***

Page 3

Ace City Hardware
7594 California City Blvd
California City Ca 93505
760-373-1116

Bill To:
Customer # 100845
SCOUT ISLAND PROJECT
21000 HACIENDA
CALIFORNIA CITY, CA 93505

Date: 12/15/2015 Time: 03:23:16 PM - Transaction#: D1238
Associate: KSS

Qty	Description ProductCode	Unit Note	Price	Tax	Extended
-----	----------------------------	--------------	-------	-----	----------

Subtotal: \$4,225.28

7.5% - State Tax: \$309.40
1% - Lumber Assessment: \$6.84
0% - Non Taxable: \$0.00
TOTAL: \$4,541.52

Thank You!

OMZR130A

LOWE'S HOME CENTERS, LLC
LNC 2502

PAGE: 1

PROJECT ESTIMATE

MATERIAL LIST

CONTACT: BARRAGAN, MARGARET
CUST #: 155577569SALESPERSON: FELIX, STEVEN
SALES #: 939275

PROJECT NUMBER: 441248268

DATE ESTIMATED: 06/16/15

QTY	ITEM #	ITEM DESCRIPTION	VEND PART #	PRICE
2	137514	4-4 COLUMN BASE	CBSQ44-TZ	36.56
2	86496	2-4-8 BROWNTONE ACQ	054699262119	11.14
57	611972	LUMBER FEE		1.71
50	50863	2-4-10 TC GREEN DOUG FIR 10-FT NA		181.00
5	53056	2-6-8 TC GREEN DOUG FIR 8-FT NA		22.65
12	95716	2-6-16 TC GREEN DOUG FIR 16-FT NA		108.84
12	611976	LUMBER FEE		0.84
2	92655	4-4-12 GREEN DOUG FIR 12-FT NA		25.44
2	611978	LUMBER FEE		0.18
12	49533	15/32 CAT RATED SHTG STRUC 1 4	244163	244.20
12	611983	LUMBER FEE		1.68
1	688895	H 4M 3INX.131 SM BR RH FRAME N	10110.0	39.98
1	688891	H 5M 2-3/8INX.113 SM BRHFRN N	10102.0	42.98
12	12166	1/2-10 STEEL REBAR 9.916-FT	113419	53.64
20	192956	HM 1-CT 5/8-IN X 12IN GLV ANC	260276	49.60
4	141783	USP 5/8-IN X 17-13/16-IN ANCR	STB16-10	20.00
17	615319	VINEYARD BLEND CORNER(-523509)	CLVBCI	849.49
17	523510	VINEYARD BLEND NAT EDGE(+61530	CLVBNE	509.49
10	376369	AIRSTONE INTERIOR ADHESIVE	IA1	155.60
12	84045	8 STUCCO KWIK CORNER	61008	31.68
1	6355	324-FT 1-PLY 20-MINUTE HOUSEWR	15510	12.72
3	240383	1 1/2-100 17G PPRBK STUCCO NTT	703915	214.08
1	144698	HIT 7/16INX1-1/2IN 16G CRWN ST	11203	39.98
1	6428	1-1/4-IN GALV COIL RF (+688873	RCC1114	29.68
2	113047	OC SHINGLE STARTER STRIP	SS10	60.00
6	17618	C4 BROWN GALV STL DRIP EDGE	5760219120	37.08
1	85768	ROOF FELT 216-SQ FT TP30 ASTM		21.50
1	77863	124 OZ VAL DURAMAX EXT S/G BAS	007.0077863.	39.98
4	607982	LATEX PAINT CARE FEE - 1 GALLO		3.00
3	77863	124 OZ VAL DURAMAX EXT S/G BAS	007.0077863.	119.94
6	386897	BLUE HAWK 2-IN ANGLED BRUSH	90902	47.88
4	234557	WOOSTER 3/4-IN BLUE KNIT RLR 2	LR718-9	31.96
4	87237	3M 1.88IN ADV+ MULTI-SURFACE T	2093-2T-LW	35.92
4	141073	1.88-INX60YD STUCCO POLY TAPE	147693	31.92
2	228556	1MIL 10-20 PLASTIC DROP CLOTH	DCFF1020-1	6.56
12	145749	94 LB RIVERSIDE PLASTIC CEMENT	145749	98.64
24	71028	LH 90-LB GREY BASECOAT STUCCO	X20003	353.04
24	15226	LH 16-OZ ADOBE STUCCO COLOR	1043-00072	123.36
15	98545	50-LB ALL PURPOSE SAND	115251	39.75
6	88943	2X10X10 SPRUCE FASCIA	2X10X10	123.78
3	89150	OAKRIDGE PRO	OAKRIDGE PRO	114.48

TOTAL FOR ITEMS	3971.95
FREIGHT CHARGES	0.00
DELIVERY CHARGES	0.00
TAX AMOUNT	357.08
TOTAL ESTIMATE	4329.03

OMZR130A

LOWE'S HOME CENTERS, LLC
LNC 2502

PAGE: 2

PROJECT ESTIMATE

MATERIAL LIST

CONTACT: BARRAGAN, MARGARET
CUST #: 155577569

SALESPERSON: FELIX, STEVEN
SALES #: 939275

PROJECT NUMBER: 441248268

DATE ESTIMATED: 06/16/15

This Quote is valid until 07/16/15.

MANAGER SIGNATURE

DATE

THIS ESTIMATE IS NOT VALID WITHOUT MANAGER'S SIGNATURE.
THIS IS AN ESTIMATE ONLY. DELIVERY OF ALL MATERIALS CONTAINED IN THIS
ESTIMATE ARE SUBJECT TO AVAILABILITY FROM THE MANUFACTURER OR SUPPLIER.
QUANTITY, EXTENSION, OR ADDITION ERRORS SUBJECT TO CORRECTION. CREDIT
TERMS SUBJECT TO APPROVAL BY LOWES CREDIT DEPARTMENT.

LOWES IS A SUPPLIER OF MATERIALS ONLY. LOWES DOES NOT ENGAGE IN THE PRACTICE
OF ENGINEERING, ARCHITECTURE, OR GENERAL CONTRACTING. LOWES DOES NOT ASSUME
ANY RESPONSIBILITY FOR DESIGN, ENGINEERING, OR CONSTRUCTION; FOR THE
SELECTION OR CHOICE OF MATERIALS FOR A GENERAL OR SPECIFIC USE; FOR
QUANTITIES OR SIZING OF MATERIALS; FOR THE USE OR INSTALLATION OF MATERIALS;
OR FOR COMPLIANCE WITH ANY BUILDING CODE OR STANDARD OF WORKMANSHIP.

STAFF REPORT
For
City Council

Council Meeting Date: December 22, 2015

To: Mayor and Council

From: Chief Eric Hurtado

Subject: Active Shooter Vest purchases

Background:

The Police Department currently issues soft body armor for all sworn personnel. The armor has been sufficient for the day-to-day patrol operations, up until now. There has been an emerging threat by criminals to use weapons that were not normally used in crimes. These weapons include rifles which the standard issue "soft body armor" offers limited protection against these types of rounds.

Over the past couple of years, law enforcement agencies throughout the United States have been faced with assailants with weapons to include assault rifles. The assailants that threaten the lives and well-being of the citizens of our community, now include terrorist organizations as well as terrorist sympathizers.

Law Enforcement agencies are quickly trying to adapt to these new threats. In one way we can better protect our officers and give them the increased likelihood of surviving an attack is to increase the level of protection available to them in the form of body armor.

Body armor that could help protect the officers from rifled or high-powered rounds would be issued to each officer of the department. We have received prices from (2) two companies.

Chief Supply: \$1,033.33 (each) plus tax

Pro-Force: \$ 899.99 (each) plus tax

Our recommendation is to accept Pro-Force quote#289906 for an Active Shooter Vest kit for a total of approximately \$23,500.00 (with est tax/delivery included).

The funding would be from Prop-30 Grant funding that has been received. Prop-30 funding is set aside to address early-release prisoners and this state funding would be ideal to outfit our officers to help combat these types of assailants. The funding source is #28-4221-740 with a balance of \$36,000.45.

Recommendations:

Approve purchase of (24) active shooter vests from Pro-Force Law Enforcement.

FISCAL IMPACT:

Approximately \$23,500 from Prop-30.

The Finance Director has reviewed the staff report and finds the recommendations to be within the budget constraints of the Department.

ENVIRONMENTAL IMPACT:

None.

Submitted: Chief Hurtado

PROFORCE

LAW ENFORCEMENT

Firearms and Tactical Equipment for Law Enforcement Professionals

RULE #1 GET HOME SAFE

ACTIVE SHOOTER

RESPONSE KIT

In an uncertain world PROFORCE can provide the protection to help keep you safe!

Protect yourself with our Active Shooter Response Kit which allows officers to rapidly armor-up with a plate carrier to increase their level of protection, addressing the potential threat of rifle or high powered firearms typically encountered in an active shooter situation.

These response kits are now available at ProForce Call us TODAY!

800-367-5855

We sell to Law Enforcement/Military Professionals, active and retired, Security Personnel, Medical First Responders and Fire Professionals.

ProForce Support Center: 3009 North Highway 89 Prescott, AZ 86301 Tel: 800-367-5855 Fax: 928-445-3468
e-mail: sales@proforceonline.com www.proforceonline.com

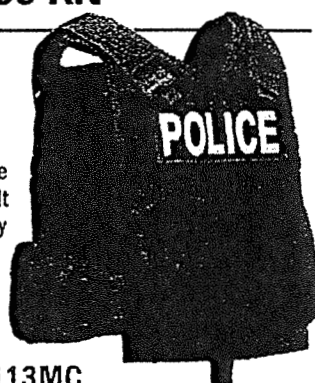


Expires 12/31/15

The Response Kit

TAC PR™ Plate Carrier

The TAC PR (plate rack) makes it simple to add the protection of rifle plates. It offers superb adjustability plus the convenience of a full Modular Webbing attachment platform.



2113MC
2x Class III Stand-Alone Multi-Curve
10x12 Plate.

Suggested Price ~~\$2100.00~~

Your
Package Price
\$899⁹⁹



PROTECH™

Please note: Images shown are for illustrative purposes only and may not be a true representation of the items in the package.

PROFORCE

LAW ENFORCEMENT

3009 North Highway 89
Tel: (928) 776-7192
sales@proforceonline.com
FFL # 9-86-025-01-4G-00508

Prescott, AZ 86301
Fax: (928) 445-3468
www.proforceonline.com

QUOTE# PAGE

PRICE

289906 1

QUOTE

SHIP DATE
A.S.A.P.

SOLD
TO

CALIFORNIA CITY POLICE DEPT
21130 HACIENDA BLVD

CALIFORNIA CITY CA 93505

SHIP
TO

CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY CA 93505

760-373-8210

JOB #	DATE	CUST.#	LOC.	SALESMAN	SHIP VIA	FRT.
N/A	12/17/15	008546	A	GREGG MCCLUNG	FX G-FOB ORIGIN	
QTY.	QUOTED	ITEM NO./DESC.	UNIT PRICE	UOM	DISC.	NET PRICE
24		ACTIVESHOOTER SFL ARM ACTIVE SHOOTER KIT INCLUDES 1 TACPR-LG 2 2113MC	899.9900	EA		21,599.76
					.00	

This quote is valid for 45 days from the date of issue, pending credit approval, and is subject to inventory, manufacturer's availability and price change. Please call to receive price update upon expiration.

ORDERING INSTRUCTIONS: Please reply to your sales representative in writing to process this order or send an email to sales@proforceonline.com. For orders over \$5,000, a PO or signed quote is required to process the order.

Returned items are subject to 20% restocking fee. All sales are final on non-stocked/special order items

PLEASE READ ATTACHED:

Please be aware that handling charges are not actual freight and are therefore subject to sales tax in California and Washington.

IMPORTANT: To order from this quotation, please sign below, attach Purchase Order, and email to: sales@proforceonline.com

COMMENT

TERMS

PROFORCE LAW ENFORCEMENT

3009 North Highway 89
Tel: (928) 776-7192
sales@proforceonline.com
FFL # 9-86-025-01-4G-00508

Prescott, AZ 86301
Fax: (928) 445-3468
www.proforceonline.com

QUOTE# PAGE

PRICE

289906

2

SHIP DATE

QUOTE

A.S.A.P.

SOLD
TO

CALIFORNIA CITY POLICE DEPT
21130 HACIENDA BLVD

CALIFORNIA CITY CA 93505

SHIP
TO

CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY CA 93505

760-373-8210

JOB #	DATE	CUST.#	LOC.	SALESMAN	SHIP VIA	FRT.
N/A	12/17/15	008546	A	GREGG MCCLUNG	FX G-FOB ORIGIN	
QTY.	QUOTED	ITEM NO./DESC.	UNIT PRICE	DISC.	NET PRICE	

Printed Name: _____

Date: _____ P.O.: _____

Signature: _____

COMMENT
FOR: ERIC HURTADO

BY: KARI MARTIN

TERMS DUE NET 30 DAYS

SALES AMOUNT 21,599.76

7.500% SALES TAX 1,619.98
SUB TOTAL 23,219.74



Karen Sanders <ksanders@californiacitypd.org>

Fwd: Chief & Law Enforcement Supply

1 message

Eric Hurtado <53012@californiacitypd.org>
To: Karen Sanders <ksanders@californiacitypd.org>

Fri, Jan 9, 2015 at 8:41 AM

----- Forwarded message -----

From: <lilyr@chiefsupply.com>
Date: Fri, Jan 9, 2015 at 6:31 AM
Subject: Chief & Law Enforcement Supply
To: ehurtado@californiacitypd.org

Remit To:
Chief Supply
PO Box 602763
Charlotte, NC 28260-2763

P 800.733.9281
F 541.485.0927
www.chiefsupply.com

Order Confirmation

Our Order# 491081
Order Date 01/09/15
Your account rep is : LILY REES
Order taken by : Lily Rees

Your Order#
Time 09:31AM

Account# 579217
CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY, CA 93505-2206

Ship-to 0
CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY, CA 935052206

Ship via PREPAID & ADD-UPS GROUND from CHARLOTTE, NC warehouse.

PartNo	Description	UM	QtyOrd	UnitPrc	Extension
1162043	~2230 LEVEL IV HARD ARMOR PLATE, 10X12	EA	2	400.000	800.00
TACAR-BK-XL	~TAC AR ASSAULT RACK, BLACK, X-LARGE	EA	1	233.330	233.33
DROPSHIP	SHIP FROM VENDOR TO CUSTOMER	EA	1	0.000	0.00
Sub Total					1,033.33
Freight					30.00
Handling					
Tax					
Total					1063.33



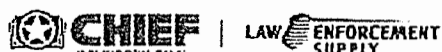
Karen Sanders <ksanders@californiacitypd.org>

Chief & Law Enforcement Supply

1 message

lilyr@chiefsupply.com <lilyr@chiefsupply.com>
To: ksanders@californiacitypd.org

Mon, Mar 9, 2015 at 2:26 PM



Remit To:
Chief Supply
PO Box 602763
Charlotte, NC 28260-2763

P 800.733.9281
F 541.485.0927
www.chiefsupply.com

Invoice

Order # 491081
PO Number
Invoice Date 02/27/15
Your account rep is : LILY REES
Order taken by : Lily Rees

Invoice # 231407
Time 02:51PM

Account# 579217
CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY, CA 93505-2206

Ship-to 0
CALIFORNIA CITY POLICE DEPT
CHIEF ERIC HURTADO
21130 HACIENDA BLVD
CALIFORNIA CITY, CA 935052206

Ship via PREPAID & ADD-UPS GROUND from CHARLOTTE, NC warehouse.

PartNo	Description	UM	QtyOrd	UnitPrc	Extension
XSPSPCL	1162043 - 2230 LEVEL IV HARD ARMOR PLATE 10X12	EA	1	400.000	400.00
DROPSHIP	SHIP FROM VENDOR TO CUSTOMER	EA	1	0.000	0.00
				Sub Total	400.00
				Freight	0.00
				Handling	0.00
				Tax	
				Total	400.00

Please let me know what you think of this set, Eric! Lily Rees, (800) 733-9281 X2222

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City of California City
Expenditures with Comparison to Budget
For the 5 Months Ending November 30, 2015

AB 109 FUND					
	Period Actual	YTD Actual	Budget	Balance	%
<u>PUBLIC SAFETY - AB 109</u>					
<u>AB 109</u>					
28-4221-110 Regular Salaries	.00	.00	21,798.00	21,798.00	.0
28-4221-111 Straight Overtime	.00	.00	5,000.00	5,000.00	.0
28-4221-112 Premium Overtime	283.92	1,911.00	25,000.00	23,089.00	7.6
28-4221-120 Temporary/Part Time	.00	.00	5,000.00	5,000.00	.0
28-4221-132 Medicare	4.12	25.89	751.00	725.11	3.5
28-4221-133 Cafeteria Plan	.00	.00	5,700.00	5,700.00	.0
28-4221-134 Retirement	.00	.00	2,507.00	2,507.00	.0
28-4221-135 Unemployment Ins	.00	6.71	154.00	147.29	4.4
28-4221-136 Worker's Comp	17.12	123.54	3,467.00	3,343.46	3.6
28-4221-140 Uniforms/Safety Equip	.00	.00	1,200.00	1,200.00	.0
28-4221-230 Meals	26.26	374.20	4,000.00	3,625.80	9.4
28-4221-330 Training	.00	.00	5,000.00	5,000.00	.0
28-4221-450 Special Depart Supp	.00	999.28	1,487.00	487.72	67.2
28-4221-630 Other Contracts	.00	.00	5,000.00	5,000.00	.0
28-4221-740 Purchase of Equipment	.00	2,935.55	38,936.00	36,000.45	7.5
Total AB 109	331.42	6,376.17	125,000.00	118,623.83	5.1
Total PUBLIC SAFETY - AB 109	331.42	6,376.17	125,000.00	118,623.83	5.1
Total Fund Expenditures	331.42	6,376.17	125,000.00	118,623.83	5.1
Net Revenue Over Expenditures	(331.42)	(6,376.17)	.00	6,376.17	.0



CITY OF CALIFORNIA CITY
BUDGET BOXES
FY 2015-16
FUND - 28 PROPOSITION 30 4221

OBJECT NUMBER	630	Other Contracts
FY 2014/15 Adopted Budget	5,000	Rental of equipment to perform compliance checks
FY 2014/15 Estimated Actual	5,000	
Over/Under Budget	0	
FY 2015/16 Requested Budget	5,000	
FY 2014/15 Adopted Budget	5,000	
Increase/Decrease	0	

OBJECT NUMBER	740	Purchase of Equipment
FY 2014/15 Adopted Budget	8,000	Investigative tools to be purchased
FY 2014/15 Estimated Actual	9,950	
Over/Under Budget	(1,950)	
FY 2015/16 Requested Budget	38,936	
FY 2014/15 Adopted Budget	8,000	
Increase/Decrease	30,936	

Total

125,000



Accounting Policies Manual

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INTRODUCTION

The following accounting manual is intended to provide an overview of the accounting policies and procedures applicable to the City of California City. Its purpose is to ensure that assets are safeguarded, financial statements are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship. This manual is intended as well to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

The contents of this manual were approved as official policy of the City of California City by the City Council. All Finance employees from the City of California City are bound by the policies herein, and any deviation from established policy is prohibited.

ORGANIZATIONAL STRUCTURE

The Role of the City Council

City of California City is governed by its City Council. The City Council is responsible for the oversight of the organization by:

1. Planning for the future
2. Establishing broad policies
3. Identifying and proactively dealing with emerging issues
4. Interpreting the City's mission to the public
5. Appointing the City Manager, City Attorney and City Clerk

The roles of the City Manager and staff

The City Council is responsible for hiring and periodically evaluating the City Manager. The City Manager reports directly to the City Council and is responsible for the day-to-day oversight and management of the City of California City.

The City Council is responsible for hiring and evaluating Department Directors each of the City's departments except the City Attorney, City Treasurer and City Clerk. Each Department Director reports to the City Manager. Within each Department, Department Directors are responsible for hiring, with approval from the City Manager, employees to work in that department. All employees within a department shall report directly to the Department's Director, who shall be responsible for managing and evaluating all employees within the department.

The Finance Director shall be the chief accounting officer of the City and shall have charge of the administration of the financial affairs of the City of California City, under the direction of the City Manager. The Department of Finance shall be under the direction of the City Finance Director.

Finance Department Responsibilities

The Finance Director is responsible for direction and oversight regarding the overall financial management of the City of California City.

Functions of the Finance Department include:

1. Preparation and review of the City's annual budget
2. Monitoring actual vs. budgeted financial performance
3. Long-term financial planning
4. Invest City funds and monitors performance
5. Oversight of reserve funds
6. Responsible for recommending the hiring of and communicating with an independent CPA firm to fulfill the requirement for an annual audit.

7. Prepares the final audited financial statements (CAAFR)
8. Responsible for payroll duties and responsibilities
9. Responsible for accounts payable duties and responsibilities
10. Responsible for business license maintenance, administration and control
11. Responsible for utility billing/cashiering maintenance, administration and control
12. Responsible for maintenance and control of Fixed Assets.

Organization

The finance department consists of eight permanent full time and two permanent part time temporary staff members that manage and process financial information for the City of California City. The positions comprising the Finance Department of the City of California City, and the titles of each position used throughout this manual, are as follows:

- | | |
|----------------------------------------|------------------------|
| • Finance Director | Rudy Hernandez |
| • Account Clerk III – Accounts Payable | Theresa Lucero |
| • Account Clerk III - Payroll | Serina Rodarte |
| • Account Clerk III - Utility Billing | Cindy Berry |
| • Account Clerk II - Utility Billing | Magdalena Arias |
| • Account Clerk I - Utility Billing | Lurline (Lee) Brackett |
| • Account Clerk I - Utility Billing | Sun-ok Akers |

Responsibilities:

The primary responsibilities of the Finance Department consist of:

- General Ledger
- Budgeting
- Annual Audit
- Financial Statements Preparation
- Cash and Investment Management
- Grant Administration
- Purchasing
- Revenues
- Cash Receipts
- Accounts Payable
- Cash Disbursements
- Payroll
- Bank Reconciliation
- Cash Reconciliation
- External Reporting of Financial Information
- Compliance with Government Reporting Requirements

SECURITY

Finance Department

A lock will be maintained on the door leading into the Customer Service Area. This door shall be closed and locked during the working hours. The key/combination to this lock will be provided to all finance department personnel. The combination of lock will be changed at the discretion of the Finance Director.

The cash received from customers as well as the signature stamps shall be stored in a fireproof cabinet that is located inside the vault at the finance department. This vault will be closed and locked in the evenings.

Blank check stock is kept in a locked cabinet inside the finance vault; the petty cash box is stored in a locked drawer in the finance vault.

The electronic signature keys, used for accounts payable and payroll checks, are kept in a locked fireproof safe box inside a file cabinet in the at the Finance Managers' office.

Access to Electronically Stored Accounting Data

It is the policy of the City of California City to utilize passwords to restrict access to accounting software and data. Only duly authorized accounting personnel with data input responsibilities will be assigned passwords that allow access to the system.

Accounting personnel are expected to keep their passwords secret. Administration of passwords shall be performed by the Finance Director and IT department. Each password enables a user to gain access into the accounting software only to those menus necessary for each employee's required duties.

Storage of Back-Up Files

It is the policy of the City of California City and responsibility of the IT Department to maintain back-up copies of electronic data files offsite in a secure, fire-protected environment, back-up is performed in a daily basis. Access to back-up files shall be limited to individuals authorized by management.

Policy Title: Balance Budget Policy and Procedures
Policy : Accounting Policies and Procedures

1.00 Purpose

The purpose of this policy is to establish clear guidelines and procedures for adopting a balance budget.

1.01 Policy

This policy applies to all city employees and city council members who have been authorized to use city funds to conduct day-to-day business transactions.

1.02 General Provisions

1.02.01 The primary budget objective is to provide the highest possible level of service to the residents of California City without impairing the City's sound financial condition. Continual efforts will be made to improve productivity, lower costs and enhance services.

1.02.02 The City will prepare an annual budget document each fiscal year (July 1 to June 30) that provides a basic understanding of the City's planned spending for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for public input prior to final adoption of the budget.

1.02.03 The budget will be based on generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) and the interpretations contained in the Governmental Finance Officers Association publication Governmental Accounting, Auditing and Financial Reporting.

1.02.04 Laws and regulations limiting use of revenue sources must be explicitly addressed in the budget process.

1.02.05 The City's annual budget will be presented for each governmental and enterprise fund with a logical breakdown of programs and line-item detail. The budget document for each fund will also be presented for discussion and review by the City Council and the public. This document will focus on policy issues and will summarize expenditures at the personnel, operating and maintenance, project and capital improvement levels. Where practical, the City's annual budget will include standards of workload, efficiency and effectiveness.

Policy Title: Balance Budget Policy and Procedures
Policy : Accounting Policies and Procedures

1.03 Balance Budget Provisions

1.03.01 When Revenues = Expenditures: When revenues equal expenditures, departments impacted by insufficient funding to support additional expenditures will be required to make adjustments to their budgets to accommodate available revenue. If, under limited conditions, expenditure needs are greater than availability of revenue and expenditures are critical to meeting the mission of the department, the department must submit a justification of the need. If Council, by 4/5th vote agrees that the expenditures are critical, Council will by a second 4/5th vote allow city reserve funds to be used.

1.03.02 General Fund Reserves: Any general fund revenues that are surplus at the end of the fiscal year will remain in the general fund reserve in order to have access to funding for emergency or necessary city business. Use of these funds will always involve a 4/5th vote of council.

1.03.03 Special Revenue Funds: Special revenue funds are used to account for resources that are legally restricted for specific purposes (e.g. grants). Since the purpose of a special revenue fund is to demonstrate that restricted resources have been spent for their intended purposes, there is normally no need to maintain a budgetary cushion. In other words, use of reserves may be used to achieve its intended purposes.

1.03.04 Capital Projects Funds: The main purpose of capital project funds is to track spending on major capital projects or equipment replacement. It is presumed that all of the fund resources eventually will be expended. Like special revenue funds, use of reserves may be used to achieve its intended purposes.

1.03.05 Debt Service Funds: Debt service funds are used to account for the payment of principal and interest on long-term debt. Like special revenue and capital project funds, use of reserves may be used to achieve its intended purpose.

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

2.00 Purpose

To establish and clarify departmental procedures for utility billing services.

Assignment of Responsibility

2.01.01 The Finance Director will ensure that the appropriate measures are taken to ensure fair and courteous service to the residents of the City of California City.

2.01.02 The Finance Director is responsible for overseeing the implementation of the utility billing procedures including payment processing, water service account maintenance, water service request, billing and delinquent procedures and the handling of non- sufficient funds checks (NSF).

2.01.03 The Finance Director is responsible for insuring full compliance with the specifics of this policy.

Procedures

Opening and closing water accounts

2.02.01 To open a water account the customer must submit an application, along with a valid ID, social security number, and proof of ownership/lease agreement.

2.02.02 Under extenuating circumstances, the Finance Director or City Manager may allow time for proper documentation to be brought in.

2.02.03 If the applicant should fail to provide proper documentation needed to complete the water application within the next 48 hours, the water may be shut off the next business day.

2.03.04 The \$121.00 is due prior to the beginning of water service. \$71.00 dollars is deposit and \$50.00 is a non-refundable service fee, for all applicants to include renters and homeowners and agents.

2.03.05 The \$71.00 deposit stays on the account until the account is closed and then is applied to the final bill or refunded within thirty days.

2.03.06 If there is a balance due on the closing bill after \$71.00 deposit is applied, a final bill will be issued.

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

2.03.07 If there is a balance on the closing bill after the \$71.00 deposit is applied, a check will be issued to the customer within thirty (30) days after the closing date.

2.03.08 If customer has previous account(s) that are in collections, the city's collection agency will be contacted to verify amount(s) and full payment must be made prior to opening account or satisfactory arrangements made with us in house collections.

2.03.09 If there is a balance owed on the closed account, balance on the account must be paid in full before opening new water service. Under extenuating circumstances, the Finance Director or City Manager may allow customer to open account.

2.03.10 No applications will be processed after 4pm. Applications can be handed out and brought back the following business day.

2.04.11 Accounts that are closed and do not have a sign up will remain closed and locked.

2.04.12 If the account is closed by a customer, then the water service shall be disconnected at the time that the final reading is obtained and locked.

2.04.13 The service will remain in the owner's name until the owner closes the service, or until a new tenant signs up.

2.04.14 All service will stay disconnected until a new customer signs up and pays any applicable deposits and provides all documentations.

2.04.15 All Closed water service accounts that have \$5.00 or more credit balance will be processed for a refund as far as there is a forwarding address.

2.05 Water Billing

2.05.01 The city reads the meters the first week of the month. Bills are prepared and sent out at by the end of the month. The due date will be on the 15th of each month unless the 15th falls on a Holiday or weekend which in this case the Bill will be due the following business day.

2.06 Collections

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

- 2.06.01** If payment is not received by the due date, the city will assess a late fee of \$21.40 and send out a delinquent bill reminder letter.
- 2.06.02.** As a courtesy to our water customers, a penalty on a water account may be waived once every 12 months.
- 2.06.03** A customer who has a penalty on an account and has extenuating circumstances may request a fee waiver. The City Manager or Finance Director may waive the penalty. (Supporting documentation may be required.)
- 2.06.04** Delinquent bills are due 15 days from the due date, as indicated on the bill as well as on the reminder letter, and should be paid by phone, in person, or via the City's website before the delinquent due date. Account will be subject to termination if not paid within 15 days from delinquent date.
- 2.06.05** Each account that is in good standing may be granted an extension. The extension does not prevent the account from having a penalty assessment if applicable, but will prevent water service disconnection.
- 2.06.06** An extension has to be approved and the account holder must sign a promissory note by 4 PM the previous date before issuing a door hanger and an extension cannot be accepted by a phone call, voice mail or email.
- 2.06.07** An extension is denied for a new customer who has an account less than six (6) months old except for a special circumstance. A customer has to provide documents.
- 2.06.08** Each account can have a maximum of two (2) extensions per calendar year and an extension can be every six (6) months.
- 2.06.09** No account is allowed an extension on an extension.
- 2.06.10** If a payment is not received by the agreed-upon date (on promissory note) for the extension, a door hanger will be issued to request payment within 2 days and, if not paid, water service will be disconnected and the account will be subjected to a \$57.25 reconnection fee.
- 2.06.11** All accounts that have shown a repeated failure to satisfactorily make payment in a timely manner can have their extension privileges revoked by the City of

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

California. "Extension Revocation" status will remain in effect until the Finance Director/City Manager authorizes the account to be released from the status.

2.07 Disconnection of Water Service

2.07.01 Accounts are subject to disconnection of water service if payment is not posted by 5 PM on the date indicated on the door hanger.

2.07.01.01 All outstanding charges, including the reconnection fee of \$57.25 is due prior to the reinstatement of water service.

2.07.01.02 If customer comes in by 3 pm that business day, water service will be reinstated that same business day. If customer comes in after 3pm, water will be reinstated the next business day. If customer desires to have water service reinstated after 3pm, an after-hours fee of \$57.25 will assessed.

2.07.02 All accounts with a delinquent balance of \$25.00 or more will receive a door hanger.

2.07.02.01 The Door Hanger shall state the amount due and the date in which it is to paid to avoid disconnection of service.

2.07.02.02 Utility accounts that receive a "Door Hanger" who do not post a payment by 5PM on the date given are subject to disconnection of service and a reconnection fee of \$57.25 will be assessed.

2.07.03 Utility accounts with an outstanding balance of \$25.00 or less will not be turned off for non-payment and the balance due will be forwarded to the next bill.

2.08 Payment Processing

2.08.01 The City of California City accepts payment by cash, check, money order, credit card (Visa, MasterCard, American Express or Discover). Payment are accepted in person at the Cashier's window, in the night drop boxes, through the City's website, through the customer's bank bill- pay system, by telephone, or by mail. Customer shall take full responsibility for ensuring payment arrives to city on time.

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

2.08.02 Payments received are processed and credited to the account on the same business day in which they are received.

2.08.03 Payments sent to other City departments for utility services cannot be guaranteed to be processed and credited to the customer's account on the same business day.

2.08.04 Payments received by City's website will be credited to the customer's account on the date in which the online transaction is completed unless the transaction was done after 8:00 p.m. Pacific Standard Time.

2.08.05 City reserves the right to deactivate the website at any time for maintenance purposes.

2.08.06 If payment is not made on-time, there will be a late fee charged to the account even if the customer does not receive their bill.

2.08.07 Payments received after 5:00 p.m. will be posted the following business day.

2.08.08 Customers may make check payments in the night drop box located in the parking lot behind California City City Hall at any time.

2.08.09 Payments are collected by Finance Department Employees from 8am to 5pm and are credited to the customer's utility account that same business day. Payments received after 5pm will be posted the following business day.

2.09 IV. Returned Checks

2.09.01 Non-Sufficient Funds (NSF) all returned checks will be penalized.

First Time - If a customer's check is returned due to insufficient funds or for any other reason, it shall be the policy of the city that the customer must pay by cash, money order or credit card over the next six (6) months. After this is requirement is met, the customer's check writing privileges will be reinstated.

Second Time – After the customer's privileges have been reinstated, if that same customer bounces a check within the next twelve (12) months, he/she must pay by cash, money order or credit card over the next twelve (12) months. After this requirement is met, the customer's check writing privileges will be reinstated.

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

Third Time – After the customer’s privileges have been reinstated, if that same customer bounces a check within the next twelve (12) months, he/she must pay by cash, money order, or credit card over the next twenty-four (24) months. After this requirement is met, the customer’s check writing privileges will be reinstated.

After the Third Time – After the customer’s privileges have been reinstated, if that same customer bounces a check within the six (6) months, check writing privileges will be suspended permanently.

2.10 Internal Controls

2.10.01 In order to strengthen our internal controls in our utility billing program, I am implementing the following internal controls listed below:

Examples of utility billing transactions that may require a utility billing adjustment:

1. Request to waive late charge penalty fee
2. Request to waive door hanger fee
3. Misposting of utility billing payment
4. Prorata utility bill (e.g. customer moves in during the middle of a billing cycle).
5. Adjust utility bill to reflect a low or high water read (high/low reads)
6. Adding or deleting utility billing charges (Billed wrong address)
7. Transfer utility water billing account balance from one account to another (e.g., customer moves into town, we discover that he/she owes the City for past due utility bill.
8. Other utility billing issues that mentioned above.

Step One: Finance staff member (Account Clerk) completes the attached utility billing adjustment form then signs it and gives it to finance director for approval. The utility billing adjustment form must have back up documentation supporting the request.

Step Two: After finance director approves and signs the utility billing adjustment form, he/she then submits the adjustment form to the utility billing clerk (Utility Billing Clerk III) for posting.

Policy Title: Utility Billing Policy and Procedures
Policy : Accounting Policies and Procedures

Step Three: After the utility billing clerk III receives the utility billing adjustment form, she/he will post the adjustment to the utility billing program within 5 days from receiving it or before the next billing cycle whichever come first. The finance director shall receive a copy of the utility billing adjustment form once it has been posted by the utility billing clerk III.

Policy Title: Petty Cash Fund and Procedures
Policy : Accounting Policies And Procedures Manual

3.00 Purpose and Background

Petty cash funds provide an efficient and cost-effective way to make prompt payments for minor business expenses. Petty cash may be used for most authorized City expenses up to \$75 per transaction. Petty cash funds are established on an *imprest* basis, which means at a fixed amount that is restored to its authorized level at frequent intervals by replenishing the cash in an amount equal to the expenditures. Subject to the terms and conditions of section 3 regarding establishing additional petty cash funds, the Finance Department shall maintain a petty cash fund for City use.

3.01 Expenditures of a Petty Cash Fund

Only those expenditures that a reasonable and prudent person would consider as having a public purpose, being for the benefit of the City and not personal in nature, will be allowed. Employees should use good judgment when expending public funds and should avoid any transaction that may appear inappropriate.

3.02 Maintaining a Petty Cash Fund

3.02.01 General Procedures

- The petty cash fund shall be accessible **only** to the Custodian or Alternate Custodian. The cash must be kept in a secure area such as a safe or a lockable drawer that must be kept locked at all times.
- Vouchers must be completed for all transactions in ink or by typing.
- The Department Head shall review all transactions for appropriateness of the expense and feasibility as a petty cash transaction prior to reimbursement by the custodian.
- The Custodian shall reconcile the petty cash fund each time it is replenished.
- Any discrepancies (i.e. shortages or overages) are the responsibility of the Custodian and should be reported on the reconciliation.
- The Finance Director must review and approve each reconciliation.
- Both the Finance Director and City Manager must approve any amount over the \$75 per transaction limit.

Policy Title: Petty Cash Fund

Policy : Accounting Policies And Procedures Manual

3.03 Using a Petty Cash Voucher

A petty cash voucher is used to record an expense and the reimbursement of that expense. The petty cash voucher, when completed, shall include all of the following information:

- Date, Payee and Amount
- Description and purpose of items purchased (if not listed on the vendor receipt)
- Signature and department of purchaser
- Account, fund, department ID, project numbers
- Signature of the Department Head for the purchase
- Original vendor receipt or invoice, attached, vendor must sign the petty cash voucher
- An original receipt or invoice from the vendor is required for reimbursement. The receipt or invoice shall include all of the following information:
 - Vendor name and Date of purchase
 - Items purchased (to be completed by purchaser if not on receipt)
 - Quantity and price per item
 - Sales Tax
 - Total Price

3.04 Reimbursement After Purchase

Departments may prefer to have personnel purchase items first, and then receive reimbursement for the purchase. Purchases must be approved by the Department Head before the goods are bought. For reimbursements, the Custodian shall:

- Obtain a vendor receipt from the purchaser and prepare the petty cash voucher.
- Ensure that the documentation (vendor receipt or petty cash voucher) clearly identifies the item(s) / service(s) purchased, the date, cost and purpose.
- Ensure that this was an appropriate purchase from the petty cash fund and that the material or service was actually received by the department.
- Obtain the Department Head's signature on the voucher authorizing the purchase.
- Obtain the purchaser's signature on the petty cash voucher before reimbursing the purchaser from the fund.

Policy Title: Petty Cash Fund

Policy : Accounting Policies And Procedures Manual

- Initial by the amount on the voucher to indicate that the money has been disbursed.
- If business meals are being reimbursed, ensure that purposes, dates and attendees are listed, and that they are in accordance with travel policy.

3.05 Cash Advance Prior to Purchase

Under certain circumstances and when deemed necessary cash may be advanced by the fund Custodian for a purchase under the following conditions:

- Written approval by the Department Head.
- The advance is used only for the specific purchase approved and may not be outstanding for more than two working days.
- The purchaser signs a petty cash voucher, which should be marked "Advance for Purchase". The signed form is kept intact and placed in the petty cash fund box.
- Upon completion of the purchase:
- The petty cash voucher is updated with the correct information on the items purchased and the amount actually spent.
- The amount spent is deducted from the amount advanced and the Custodian signs that the change has been returned to the fund.
- The purchaser signs for reimbursement of any approved additional amount that has been made beyond the advance when the money is received and the Custodian initials that the new amount has been disbursed.

3.06 When a Petty Cash fund may NOT be used

Examples of personal expenses that normally will not be paid or reimbursed by the District include, but are not limited to:

- Transactions over \$75 (the splitting of one transaction over \$75 into 2 or more parts is not permitted)
- Frequent purchases made for the same materials to the same vendor (a blanket purchase order shall be used)
- Flowers for employees or other persons
- Greeting cards
- Food items not related to business meals

Policy Title: Petty Cash Fund

Policy : Accounting Policies And Procedures Manual

- Mileage expenses
- Tuition reimbursements
- Personal loans, advances or IOU's
- Check-cashing service
- Employee or non-employee compensation for services rendered

3.07 Replenishing a Petty Cash Fund

To replenish a petty cash fund, the Custodian shall prepare a Request for Replenishment of Petty Cash (or equivalent Finance approved form) listing this information:

- Each completed petty cash voucher (date, payee and amount)
- Account numbers to be charged
- Amount of money requested (which will equal the receipts plus or minus adjustments)
- Amount of cash on hand
- Total of fund, which should equal the cash on hand, the amount of the petty cash vouchers including receipts, any replenishment requests in process and other adjustments
- Signatures of the Custodian and Finance Director.

3.08 Establishing, Increasing, or Decreasing a Petty Cash Fund

To establish, increase or decrease a petty cash fund the following procedures shall be followed:

- Send a request for opening a petty cash fund approved by the Department Head and City Manager to the Director of Finance. Include the name of the Custodian and the Alternate Custodian. Explain why the petty cash fund is necessary and the maximum amount requested for the fund. If approved, a check will be prepared to start the petty cash fund.
- Send a request for increasing or decreasing a petty cash fund approved by the Department Head and City Manager to the Director of Finance. Include the reasons for the increase or decrease. If the fund is to be decreased, excess funds will be deposited in the bank. If the increase is approved, a check will be prepared to increase the petty cash fund.

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- It is anticipated that one (1) petty cash fund will be used.

3.09 Terminating a Petty Cash Fund

To terminate a petty cash fund the following procedures shall be followed:

- Ensure all cash advances for purchases have been completed and reimbursed as appropriate.
- Prepare the final reconciliation of the petty cash fund and balance the fund.
- All discrepancies from the total amount of the petty cash fund must be explained in detail. All overages or shortages must be identified and discrepancies reported to the Finance Director and listed on the final replenishment request.
- Prepare a memorandum to the City Manager indicating that the fund is being closed out.

Policy Title: Accounts Payable and Procedures
Policy : Accounting Policies and Procedures Manual

4.00 Purpose and Background

The City of California City strives to maintain efficient business practices and good cost control. A well-managed accounts payable function can assist in accomplishing this goal from the purchasing decision through payment and check reconciliation.

It is the policy of the City that the recording of assets or expenses and the related liability is performed by an employee independent of ordering and receiving. The amounts recorded are based on the vendor invoice for the related goods or services.

The Accounts Payable Section of the Finance Department of the City supports all City department needs by providing a timely and efficient manner to process payments in compliance with policies and procedures.

The primary objective for accounts payable and cash disbursements is to ensure that:

1. Disbursements are properly authorized.
2. All the required documentation is included
3. Invoices are processed in a timely manner.
4. Vendor credit terms and operating cash are managed for maximum benefits.

4.01 Procedures

- Accounts payable are processed on a daily basis. Information is entered into the Caselle system from approved invoices and the respective attached supporting documentation.
- New Vendor- It is necessary to set up a new vendor before entering a requisition into the Purchasing Caselle Module System, each City department must request the vendor to complete and mail in Internal Revenue Service (IRS) Form W-9. When the Department receives this form, the accounts payable staff person will enter the new vendor information into the accounting software. The Department will be able to create a requisition for a purchase order (PO) only after the vendor is set up in the system. The same process described above applies for individuals, companies and corporations.
- The IRS requires the City to obtain an individual's correct taxpayer's identification number or social security number (individuals) and certification that

Policy Title: Accounts Payable and Procedures
Policy : Accounting Policies and Procedures Manual

the payee is not subject to backup withholding. To protect the City and to meet requirements for the IRS, individuals must complete the IRS W-9 to verify their information. This also would apply to individuals who receive payments for such items as: consulting fees, sale of goods, and other personal services. This list is not inclusive.

- Invoices- It is the policy of the City that only original invoices will be processed for payment unless duplicate copies have been verified as unpaid by researching the vendor records. Vendor statements should normally not be processed for payment.
 - a. If an original invoice is not provided then a written explanation signed by a supervisor shall be required prior to payment.
 - b. If the invoice received does not have a PO, the account payable staff person will send the original invoice to the respective department for them to process the requisition. However all purchases (except those meeting the exemption requirement) should first obtain a purchase order and should be processed through the Caselle requisition system.
 - c. Each department is responsible for verification of invoices for payment including the following items:
 - i. *Comparison of quantity billed on the invoice with quantities listed on the purchase order or shown on the receiving documents.*
 - ii. *Comparison of prices, discounts, and terms with those specified on the purchase order.*
 - iii. *Proof of clerical accuracy of the invoice with respect to extensions, mathematical accuracy and deductions for discounts.*

4.02 Preparation of an Accounts Payable Package (A/P package)

The vendor invoices should be reviewed and approved by a department director prior to being processed for payment.

All requests for payment to be submitted to finance shall include an A/P package. Each A/P package shall contain the following documents:

- a. Original invoice
 - i. *If original invoice is not available (this should be the exception) a written explanation signed by supervisor is required.*
- b. Packing Slip (where appropriate)

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- c. Purchase Order
 - ii. *All purchases (except those meeting the exemption requirement) require prior requisition through Caselle purchase order system.*
- d. For travel reimbursement request – a travel authorization form shall be signed by both the employee and the department director.
- e. For credit card payments – signature of cardholder and director should be on the statement.
- f. Any other supporting documentation deemed appropriate.

All A/P packages must be approved by the department director. The approval indicates their acknowledgment of satisfactory receipt of those goods or services, agreement with all terms appearing on the vendor invoice, agreement with ledger account coding, and agreement to pay vendor in full.

4.03 Recording and Processing of Accounts Payable.

Information is entered into the system from approved and complete A/P packages. All valid accounts payable transactions, properly supported with the required documentation, shall be recorded as accounts payable in a timely manner.

All payment requests that are received, approved, and supported with proper documentation by Tuesday at noon shall be recorded as accounts payable for the week and will be paid on Friday of the same week.

- a. City departments should obtain their purchase order in a timely manner in order to reduce the number of last minute “emergency” requests.

The following procedures shall be applied to each A/P package by the accounts payable staff person:

- a. Invoices and related general ledger account distribution codes are reviewed prior to posting to the accounting software.
- b. Check the mathematical accuracy of the vendor invoice.
- c. Compare the nature, quantity and prices of items ordered per the vendor invoice to the packing slip and receiving report if one is provided.
- d. Review the general ledger distribution (charged accounts).
- e. The Finance copy of the PO will be pulled out.
- f. Post all PO's requested for payment into the accounting software.

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- g. All A/P packages selected for payment shall be reviewed and approved by the Finance Director.
- h. The accounts payable report is matched to the check run.
- i. Print accounts payable checks on Thursday one week prior to the next city council meeting.
- j. After the accounts payable checks are processed the accounts payable run is posted to the accounts payable module in the City's financial system. The charges automatically post and are reflected in the general ledger.
- k. Checks will be mailed the next business day after city council approval of check warrant register with the exception of those that the department request to hold.
- l. Checks copies will be attached to the A/P packages and all invoices included in the A/P package will be stamped "PAID". These completed A/P packages will then be filed.

The check register report or "Warrant Register" generated must be signed by the Finance Director.

4.04 Payment Discounts

To the extent practical, it is the policy of the City to take advantage of all prompt payment discounts offered by vendors. When availability of such discounts is noted, and all required documentation in support of payment is available, payment(s) will be scheduled so as to take full advantage of the discounts.

4.05 Employee Expense Reports

Reimbursements for travel expenses, business meals, or other approved costs will be made only upon the receipt of a properly approved and completed expense reimbursement form (see travel policy). All receipts must be attached, and a brief description of the business purpose of trip or meeting must be noted on the form. This form must be signed by both the director and the employee.

4.06 Manual Checks

In extremely rare situations a manual check may be written. To obtain a manual check requires the approval of the Director of Finance.

Policy Title: Accounts Payable and Procedures
Policy : Accounting Policies and Procedures Manual

4.07 Void Checks

There are times when a check would need to be “voided” out of the system. In order for this process to occur a Void Check Authorization Form must be filled out and approved by the Director of Finance. The following information must be obtained:

- a. Check number
- b. Amount
- c. Date
- d. Payee
- e. Reason for void
- f. Stop payment required
- g. Check being reissued

Once approval from the Director of Finance is obtained, the void check process is posted in the financial system. A copy of the void check authorization form is given to the Accounts Payable staff person indicating the posting date on the void authorization form. Another copy is placed in that month’s bank reconciliation binder.

At the end of the void check process, the following reports are reviewed and filed in the void check file within the bank reconciliation binder by the Accounts Payable staff Person (copy of void check authorization form, copy of accounts payable check, void check proof list).

4.08 Summary

This policy is in place to provide guidelines for the proper processing of accounts payable in a manner that will safeguard the assets of the City.

Policy Title: City Credit Card Use
Policy : Accounting Policies and Procedures

5.00 Purpose

The purpose of this policy is to establish clear guidelines and procedures for use of credit (charge) cards.

5.01 Policy

This policy applies to all City employees and city council members who have been authorized to use City credit cards and who are authorized in the future.

5.02 General Provisions

5.02.01 Prudent Person Rule- Expenses incurred on the City of California City credit cards should be consistent with the employee's job responsibility and the needs of the City and the resources budgeted. An employee is expected to exercise reasonable judgment, diligence, prudence, and care while incurring business expenses on a City credit card. City credit cards shall not be used for the convenience of the cardholder.

5.02.02 The City credit card shall be used for official City business only.

5.02.03 An authorized user may use the City credit card for limited business-related expenses provided the purchase is made within the City of California City Purchasing Policy guidelines.

5.02.04 When a City Council member or an employee travels on City business, he or she may elect to use the city credit card to settle hotel, meal or transportation charges during business travel.

5.02.05 City credit cards shall not be used to pay for regular or recurring purchases. These purchases should be secured by a Contract, Purchase Order or a Request for Payment.

5.02.06 Employees must have prior written authorization from their Department Head to use a city credit card (see "Credit Card Request Form").

Policy Title: City Credit Card Use
Policy : Accounting Policies and Procedures

5.03 Administrative Responsibility

- 5.03.01** The Finance Department is responsible for monitoring City credit card use. A three-day advance notice is recommended to process a request for a City credit card.
- 5.03.02** With appropriate authorization and Department Head approval, credit cards may be “checked out” at the Finance Department. Use of Credit Card Request Form is required. Check-out procedure requires acknowledgement of credit card policy and employee signature.
- 5.03.03** When using a City credit card, the employee or City Council member must sign his/her name on the credit card voucher, not “City of California City”.
- 5.03.04** Under no circumstances shall a cardholder split a transaction (separate a single purchase into numerous transactions).
- 5.03.05** Until the City credit card is checked in with the Finance Department, the employee is responsible for all charges made on the card.
- 5.03.06** Within five (5) business days of employee’s purchase or return to work after business travel, the City credit card, accompanied by a travel “claim form” approved by the Department Head, and all credit card purchase receipts, must be returned to the Finance Department and checked-in.
- 5.03.07** In the event receipts are lost or destroyed, the City credit cardholder shall submit a memorandum in lieu of the receipt to their Department Head describing the purpose of the expenditures. This memorandum must be included with the “claim form”, but does not guarantee approval.
- 5.03.08** Lost or stolen credit cards must be reported immediately to the Finance Department and to the card issuer using their 24-hour telephone number. A lost or stolen credit card must be reported to 1-800-344-5696.
- 5.03.09** In the event a cardholder leaves City service, the cardholder will submit, in writing to their Department Head, a final reconciliation or statement of outstanding credit card purchases prior to leaving City service. The Department

Policy Title: City Credit Card Use
Policy : Accounting Policies and Procedures

Head will contact the Finance Department for a recent list of transactions for use in final reconciliation.

5.03.10 The employee is advised and acknowledges understanding that inappropriate use of the credit card will lead to disciplinary action, up to and including possible immediate termination.

5.03.11 The employee shall not circumvent the credit card policy by using own personal credit card then request reimbursement from the City.

5.03.12 Purchases made from employee's own personal credit card as allowed by credit card policy will be reimbursed from our accounts payable processing procedures. Employee must complete a justification form and attach to reimbursement claim form.

5.03.13 A credit card will be issued to both police and public works departments. Both departments agree to comply with all sections as stated in this credit card policy.

Policy Title: Fixed Assets Capitalization And Control Policy
Policy : Accounting Policies and Procedures Manual

6.00 Purpose and Background

The purpose of this policy is to ensure adequate control and appropriate use of City fixed assets. The procedures are intended to define fixed assets and to establish guidelines for budgeting, financial reporting, logging, inventorying, transferring, depreciating, and disposing of fixed assets.

6.01 Policy

It is the policy of the City of California City that fixed assets be used for appropriate City purposes and be properly accounted for. It is the responsibility of the Finance Department to ensure fixed assets will be inventoried on a periodic basis, and accounted for by fund and asset category. It is the responsibility of the Department Heads to ensure that proper budgeting and purchasing guidelines are followed and that fixed assets are adequately secured.

6.02 Objectives

The City of California City's fixed asset policy has two (2) objectives:

1. Accounting and Financial Reporting- To accurately account for and report fixed assets to the City Council, external reporting agencies, granting agencies, and the public.
2. Safeguarding- To protect its fixed assets from loss or theft.

The Finance Department is responsible for, and has established, systems and procedures through which both objectives are met. The system and procedures are used to identify, process, control, track, and report City fixed assets.

6.03 Procedures

6.03.01 Capitalization Policy (Accounting and Financial Reporting)

In general, all fixed assets, including land, building, machinery and equipment, with an acquisition cost of \$5,000 or more and a life of 5 years, will be subject to accounting and reporting (capitalization). All costs associated with the purchase or construction should be considered, including ancillary costs such as freight and transportation charges, site preparation expenditures, installation charges,

Policy Title: Fixed Assets Capitalization And Control Policy
Policy : Accounting Policies and Procedures Manual

professional fees, and legal costs directly attributable to asset acquisition. Specific capitalization requirements are described below.

- 6.03.02** The capitalization threshold is applied to individual units of fixed assets. For example, ten desk purchased through a single purchase order each costing \$1,000 will not qualify for capitalization even though the total cost of \$10,000 exceeds the threshold of \$5,000.
- 6.03.03** The capitalization threshold is applied to individual units of fixed assets. For example, a tractor purchased with several attachments will not be evaluated individually against the capitalization threshold. The entire equipment with components will be treated as a single fixed asset.
- 6.03.04** Repair is an expense that keeps the property in good working condition. The cost of the repair does not add to the value or prolong the life of the asset. All repair expenditures are charged to the appropriate department fund.
- 6.03.05** Software programs will be regarded as fixed assets subject to capitalization and the cost will be amortized over a useful life of 5 years. Costs associated with software maintenance and customer support are considered expenditures and will not be capitalized.
- 6.03.06** Improvements to existing fixed assets will be presumed to extend the useful life of the related fixed asset and, therefore, will be subject to capitalization only if the cost of improvement meets the \$5,000 threshold.
- 6.03.07** Capital projects will be capitalized as “construction in progress” until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation, indirect costs such as engineering and construction management, and ancillary costs such as construction period interest.
- 6.03.08** Additions and deletions to the fixed asset inventory records shall be made on a periodic basis. When fixed assets are sold or disposed of, the inventory of Fixed Assets should be relieved of the cost of the asset and the associated accumulated depreciation.
- 6.03.09** Department Heads will need to approve a Property Disposition report prior to transfer, auction or disposal of any fixed asset.

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Policy : Accounting Policies and Procedures Manual

6.04 Control Policy- (Safeguarding)

The Finance Department is responsible for establishing and maintaining systems and procedures to properly safeguard assets. However, Department Heads are responsible for protecting assets under their control from theft or loss. These assets are described as follows:

6.04.01 The acquisition of the fixed asset is equal to or greater than \$5,000.

6.04.02 An asset required to be controlled and separately reported pursuant to grant conditions and other operational or externally imposed. For example, a grant program that has funded the acquisition of a fixed asset may impose a requirement that the fixed asset be tracked and identified as a grant funded asset. The finance department shall be responsible for tracking the fixed asset as required by the grant program.

6.05 Depreciation

Depreciation is computed from the date the fixed asset is placed in service until the end of its useful life.

Depreciation method-straight line

Buildings	40 years
Improvements Other Than Buildings	30 years
Portable Shop Equipment	5 years
Field Equipment	5 years
Parks & Recreation Equipment	5 years
Safety Equipment	5 years
Heavy Mobile Equipment	15 years
Communication Equipment	5 years
Furniture & Fixtures	5 years
Computers	3 years
Computer Software	3 years
Vehicles	5 years
Trucks	5 years
Fire Fighting & Rescue Vehicles	15 years

Policy Title: Fixed Assets Capitalization And Control Policy
Policy : Accounting Policies and Procedures Manual

6.06 Disposal of Fixed Assets

- 6.06.01 The disposition of fixed assets shall be in accordance with city policy which states:
All fixed assets purchased in excess of \$5,000 and capitalized will be declared surplus and removed from the fixed assets accounting records.
- 6.06.02 Prior to declaring any fixed assets as surplus, staff shall obtain the approval of the city council.

6.07 Inventory

- 6.07.01 Inventory will be contained in locked storage areas, where possible, and access to inventory will be limited to necessary staff.

6.07.02 Procedure

Materials and supplies:

- *Paper supplies are recorded as expenses when purchased. Parts and materials for water, sewer, transit, streets, facilities, and parks are recorded as supplies expense.*
- *We have a locked storage area for pens, pencils, clips etc. When an item gets to the last box, we have a written list to inform the administrative assistant to reorder.*

Policy Title: Annual Investment Policy
Policy Number: Financial Management Policy 7

Sec. 7.00 Policy Statement

This policy is intended to provide guidelines for the prudent investment of the California City's (City) funds and outline the policies for maximizing the efficiency of the City's cash management system. The ultimate goal is to enhance the economic status of the City consistent with the prudent protection of the City's investments. This investment Policy has been prepared in conformance with all pertinent existing laws of the State of California including California Government Code Sections 53600, *et seq.*

Sec. 7.01 Scope

It is intended that this policy cover all funds and investment activities of the City. These funds are defined and detailed in the City's Annual Financial Statements and include any new funds created unless specifically excluded by City management and the City Council. The management of California City's bond issued proceeds is not included in this policy because they have unique investment objectives, time horizons, and legal requirements. Incorporated herein are **Appendices A and B**, "Description of Authorized Investments and Restrictions," and "Glossary of Cash Management Terms," respectively.

Sec. 7.02 Prudent Person Standard

The City operates its investment portfolio under the Prudent Investor Standard (California Government Code Section 53600.3) which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City."

Sec. 7.03 Investment Objectives

When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing the City's funds, the primary objective is to safeguard the principal of the funds. The secondary objective is to meet the liquidity needs of the City. The third objective is to achieve a maximum return on invested funds. It is the policy of the City to invest public funds in a manner to obtain the highest yield obtainable with the maximum security while meeting the daily cash flow demands of the City as long as investments meet the criteria established by this policy for safety and liquidity and conform to all laws governing the investment of City funds.

7.03.01 Safety of Principal

Safety of principal is the foremost objective of the City. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they arise from securities defaults,

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institution default, broker-dealer default, or erosion of market value of securities. The City shall mitigate the risk to the principal of invested funds by limiting credit and interest rate risks. Credit Risk is the risk of loss due to the failure of a security's issuer or backer. Interest Rate risk is the risk that the market value of the City's portfolio will fall due to an increase in general interest rates.

A) Credit risk will be mitigated by:

- (1) Limiting investments to only the most creditworthy types of securities; and
- (2) Pre-qualifying a list of non-government issuers of securities with which the City will do business; and
- (3) Diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the City.
- (4) The City cannot invest any more than 5% maximum of the portfolio in any single issuer's bond debt, except U.S. Government, its agency or the State of California Local Agency Investment Fund and Kern County Investment Fund.

B) Interest rate risk will be mitigated by:

- (1) Structuring the City's portfolio so that securities mature to meet the City's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
- (2) Investing primarily in shorter-term securities as defined in "(b)" **Liquidity**.

7.03.02 Liquidity

Availability of sufficient cash to pay for current expenditures shall be maintained. An adequate percentage of the portfolio shall be maintained in liquid short-term securities, which can be converted to cash as necessary to meet disbursement requirements. Since cash requirements cannot always be anticipated, sufficient investments in securities with active secondary or resale markets shall be utilized. These securities will have a low sensitivity to market risk. The Local Agency Investment Fund (LAIF), Kern County Investment Fund (KCIF) and short-term money market securities shall also be used as liquid investments. The cash management system of the City shall be designed to accurately monitor and forecast expenditures and revenues to insure the investment of monies to the fullest extent possible.

7.03.03 Rates of Return

Yield on investments shall be considered only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed to attain a market average

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rate of return throughout economic cycles, taking into account the City's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

Sec. 7.04 Delegation of Authority

The City Council hereby delegates management authority and responsibility for implementing the investment policy to the City Treasurer and Finance Director, who shall establish written procedures for the operation of the investment program consistent with this investment policy and the requirements of applicable laws. Such procedures shall include explicit delegation (by the City Council) of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Council. The City Treasurer and Finance Director shall be responsible for all transactions undertaken by the City's staff, and shall establish a system of controls to regulate the activities of internal staff and any external investment advisors.

All participants in the investment process shall act, as custodians of the public trust and all investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. All investment related activity shall be done in conformance with this policy and all applicable State and Federal laws and regulations.

7.04.01 Investment Deposits/Withdrawals

Investments deposits and withdrawals will primarily be made by the City Treasurer. In his/her absence, the City Finance Director, then the City Manager, in turn, will be responsible for deposits and withdrawals.

Sec. 7.05 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officers shall disclose any financial interest in financial institutions that conduct business with the City, and they shall further disclose any personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales, and shall avoid transactions that might impair public confidence.

Sec. 7.06 Investment Advisory Committee

The City Council may consider establishing an Investment Advisory Committee that will be responsible for overseeing the investment of City funds.

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Sec. 7.07 Authorized Financial Dealers and Institutions

The City Treasurer and Finance Director shall establish and maintain a list of the financial institutions and broker/dealers authorized to provide investment and depository services to the City, shall perform an annual review of the financial condition and registrations of the qualified institutions, and require annual audited financial statements to be on file for each approved institution. The City shall send annually, or as updated, a copy of its current Investment Policy to all financial institutions and broker/dealers approved to do business with the City. Receipt of the Investment Policy including confirmation that it has been received and reviewed by the person(s) handling the City's account, shall be acknowledged in writing within thirty (30) days.

7.07.01 Depositories

In selecting depositories, the creditworthiness of institutions shall be considered and the City Treasurer and Finance Director shall conduct a comprehensive review of prospective depositories' credit characteristics and financial history. Qualifications and minimum requirements for depositories shall be established by the City Treasurer and Finance Director, approved by the City Council and provided to any institution seeking to conduct business with the City. Banks and Savings and Loan Associations seeking to establish eligibility as a depository for the City's Collateralized Certificate of Deposits shall submit annually an audited financial statement, which shall be reviewed by the City Treasurer and Finance Director for compliance with the City's financial criteria.

Any institution meeting the City's required criteria will be eligible for placement of public deposits by the City, subject to approval by the City Treasurer and Finance Director. As deemed necessary by the City Treasurer and Finance Director, reviews of unaudited quarterly financial data for institutions on the City's approved list shall be made. Any institution falling below the City's established minimum criteria shall be removed from the approved list, no new deposits may be placed with that institution and all funds remaining shall be withdrawn as the deposits mature.

7.07.02 Brokers and Dealers

All brokers and dealers that desire to become qualified bidders for investment transactions with the City must respond to a "Broker Dealer Questionnaire" and submit related documents relative to eligibility. This includes a current audited financial statement, proof of state registration, proof of NASD registration and a certification they have received and reviewed the City's Investment Policy and agree to comply with the provisions outlined in the Investment Policy. The City Treasurer and Finance Director may establish any additional criteria deemed appropriate to evaluate and approve any financial services provider. The selection process for broker dealers shall be open to both "primary dealers" and "secondary/regional dealers" that qualify under Securities and Exchange Commission Rule 15c3-1 (Uniform Net Capital Rule). The provider must be experienced in institutional trading practices and be familiar with the California Government Code as it relates to investments by

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a public entity.

Sec. 7.08 Authorized and Suitable Investments

The City is provided a broad spectrum of eligible investments under California Government Code Sections 53600 - 53609 (authorized investments), 53630 - 53686 (deposits and collateral) and 16429.1 (Local City Investment Fund). The City may choose to restrict its permitted investments to a smaller list of securities that more closely fits the City's cash flow needs and requirements for liquidity. If a type of investment is added to the Government Code list, it shall not be added to the City's Authorized Investment List until this policy is amended and approved by the City Council. If a type of investment permitted by the City should be removed from the Government Code list, it shall be deemed concurrently removed from the City's Authorized Investment List, but existing holdings may be held until they mature.

Within the context of these California Government Code (CGC) limitations, the following investments are authorized:

See Appendix A

CGC Section	Investment Type	ALLOWED BY STATUTE			AUTHORIZED BY CALIFORNIA CITY		
		Maximum Maturity	Authorized Limit (%)	Required Rating	Maximum Maturity	Authorized Limit (%)	Minimum Required Rating
53601(a)	Local City Bonds	5 Years	None	None	5 Years	50%	AA
53601(b)	U.S. Treasury Obligations	5 Years	None	None	5 Years	100%	N/A
53601(c)	State of California Obligations	5 Years	100%	None	5 Years	100%	AA
53601(d)	California Local City Obligations	5 Years	None	None	5 Years	50%	AA
53601(e)	U.S. Agencies	5 Years	None	None	5 Years	100%	AAA
53601(f)	Bankers' Acceptances	180 Days	40%/30%	None	180 Days	40%	A
							A1/P1/F1
53601(g)	Commercial Paper	270 Days	25% or 10%	A1/P1/F1	270 Days	25%	AA
53601(h)	Negotiable Certificates of Deposit	5 Years	30%	None	5 Years	30%	N/A
53601(i)	Repurchase Agreements	1 year	None	Various	1 Year	20%	None
53601(j)	Reverse Repurchase Agreements	92 days	20% of base	A	92 Days	20% of Base	A
53601(k)	Medium-Term Notes	5 Years	30%	A or > ⁽¹⁾	5 Years	30%	A or >
53601(l)	Money Market Mutual Funds	N/A	20%	1	N/A	20%	N/A
53601(m)	Collateralized Bank Deposits	5 Years	None	AA	5 Years	20%	AA
53601(n)	Mortgage Pass-Through Securities	5 Years	20%	None	2 Years	20%	None
53651	Time Deposits	5 Years	None	None	2 Years	20%	N/A
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	None	N/A	No Limit ⁽²⁾	N/A
	County Pooled Investment Funds						
53684	Non-Negotiable Certificates of Deposit	N/A	None	None	N/A	30%	N/A
(3)		5 Years	100%	None	1 Year	20%	None

(1) Highest ranking by 2 of 3 of the nationally recognized rating agencies, and retain an investment advisor who is registered with the SEC and has at least 5 years experience investing in securities authorized in Section 53601 and 53635 with assets in excess of \$500 million.

(2) LAIF currently allows a maximum of \$40 million per account.

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- (3) For non-negotiable certificates of deposit, bank deposits, and time deposits that exceed the insured maximum of \$100,000, approved collateral at the required percentage of market value will be obtained. (Government Code § 53651-53652).

The City of California City Portfolio at the time of investment will use a guideline of 5% limit per issuer. The exception will be U.S. Treasuries and U.S. Agencies.

Note: "Authorized Limits" refer to the percent of total amount of funds eligible for investment in a particular investment type.

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One purpose of this Investment Policy is to define what investments are permitted. If a type of security is not specifically authorized by this policy, it is not a permitted investment. Additionally, City assets shall not be invested in instruments whose maturities exceed five (5) years from the time of purchase without the express approval of the City Council.

See **Appendix A** for a more detailed descriptions and additional restrictions, if any, of the authorized investments listed above.

Sec. 7.09 Competitive Bidding

It is the City's policy to transact all U. S. Treasury securities purchases and sales through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers. The City will accept the offer, which provides (a) the highest rate of return and (b) optimizes the investment objectives of the overall portfolio. The purchase of securities other than U.S. Treasuries (corporate notes, agencies, mortgage-backed securities, etc.) will be executed differently. This is due to the lack of homogeneity among these products and their availability (or unavailability) in dealer inventories. Because of the individualized nature of these securities, it is generally not possible to get more than one offer on the same instrument. Therefore, when purchasing non-Treasury securities, the Investment Officer shall make a subjective evaluation regarding the relative attractiveness of various offers, taking into account maturity, credit ratings, structure and other factors that influence pricing. When selling a security, the City will select the bid that generates the highest sale price. It will be the responsibility of the personnel involved in each transaction to produce and retain written records, including the name of the financial institutions solicited, price/rate quoted, general description of the security, bid/offer selected, and any consideration that had an impact on the decision.

Sec. 7.10 Master Repurchase Agreement

The City may invest (Government Code Section 53601 (i)) in overnight and term repurchase agreements with Primary Dealers of the Federal Reserve Bank of New York rated "A" or better by Moody's Investors Service or Standard & Poor's Corporation with which the City has entered into a Master Repurchase Agreement. This agreement will be modeled after the Public Securities Associations Master Repurchase Agreement.

All collateral used to secure this type of transaction is to be delivered to a third party prior to release of funds. The third party shall have an account in the name of the City of California City. The market value of securities used as collateral for repurchase agreements shall be monitored on a daily basis and shall not be permitted to fall below a minimum of 102% of the value of the repurchase agreement. Collateral shall not have maturities in excess of five (5) years. The right of substitution shall be granted, provided that permissible collateral is maintained.

In order to conform with the provisions of the Federal Bankruptcy Code that provides for the liquidation of securities held as collateral for repurchase agreements, the only securities deemed

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acceptable as collateral shall be securities that are direct obligations of and guaranteed by the U.S. Government, U.S Government Agencies or Government.

Sec. 7.11 Investment Pools

An investigation of any investment pool or money market mutual fund is required prior to investing and is to be performed on an ongoing basis. The investigation shall, at a minimum, obtain the following information:

- A description of interest calculations and how it is distributed, and how gains and losses are distributed.
- A description of how securities are safeguarded (including the settlement process) and how often the securities are “marked to market” and how often an audit is conducted.
- A description of who may invest in the program, how often, what size deposits and withdrawals are permitted.
- A schedule for receiving statements and portfolio listings.
- Does the pool/fund maintain a reserve or retain earnings or is all income after expenses distributed to participants?
- A fee schedule, which also discloses when and how fees are assessed.
- Determining if the pool or fund is eligible for bond proceeds and/or will it accept such proceeds.

The purpose of this investigation is to determine the suitability of a pool or fund in relation to the City’s investment policy and evaluate the risk of placing funds with that pool or fund.

Sec. 7.12 Collateralization

Uninsured Time Deposits with banks and savings and loans shall be collateralized and monitored in the manner prescribed by state law for depositories accepting investment funds from public governmental entities.

Repurchase Agreements shall be collateralized in accordance with terms specified in the Master Repurchase Agreement. The valuation of collateral securing a Repurchase Agreement shall be verified and monitored on a daily basis to insure a minimum of 102% of the value of the transaction being held by the City’s depository agent. All collateral used to secure this type of transaction is to be delivered to a third party prior to release of funds. The third party shall have an account in

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the name of the City of California City.

Sec. 7.13 Safekeeping and Custody

All securities owned by the City shall be held in safekeeping by a third party bank trust department acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All securities shall be received and delivered using standard delivery versus payment (DVP) procedures. The third party bank trustee agreement must comply with Section 53608 of the California Government Code. No outside broker/dealer or advisor may have access to City funds; accounts or investments and any transfer of funds must be approved by the City Treasurer and Finance Director or his designee.

Sec. 7.14 Diversification and Risk

The City recognizes that investment risks could result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. To minimize the City's exposure to these types of risk, the portfolio should be diversified among several types of institutions, instruments and maturities. The City Treasurer and Finance Director shall minimize default risk by prudently selecting only instruments and institutions which at the time of placement have been evaluated for their financial viability and compliance with this policy. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. Risk shall also be managed by subscribing to a portfolio management philosophy that helps to control market and interest rate risk by matching investments with cash flow requirements. In the event of a default by a specific issuer, the City Treasurer and Finance Director shall evaluate the liquidation of securities having comparable credit risks. Diversification strategies shall be established and reviewed quarterly by the City Treasurer and Finance Director.

Sec. 7.15 Maximum Maturities

Every effort will be made to match investment maturities to cash flow needs. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement and approved by the City Council, no investment may be made with maturity greater than five (5) years. The weighted average final maturity of the City's portfolio shall at no time exceed two (2) years.

Sec. 7.16 Internal Control and Review

This Investment Policy shall be reviewed periodically by the City Treasurer and Finance Director as necessary and any recommended revisions shall be submitted as needed to the City Council in order to insure consistency and its relevance to current law, and financial and economic trends. The City Treasurer and Finance Director shall also submit this Investment Policy to the City

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Council for its review during the first quarter of each fiscal year.

In conjunction with the annual financial statement audit, the external auditors shall review the investments and general activities associated with the investment program to evaluate compliance with this Investment Policy.

Sec. 7.17 Performance Benchmark

California City investment strategy is (active). Given this strategy, the basis used by the Treasurer to determine whether market yields are being achieved shall be a 6-month US Treasury Bill.

Sec. 7.18 Reporting

The City Treasurer and Finance Director shall submit a quarterly investment report (Treasurer's Report) to the City Council. The report shall be submitted within 30 days of the end of each calendar quarter (unless a more frequent reporting period is chosen) and shall include information about the investment of all funds in the custody of the City. This report shall include all items listed in Section 53646(b) of the Government Code.

These reports will also include the following information about the investments of all funds:

7.18.01 Investment Report

- A. List of individual investments by type and issuer held at the end of reporting period.
- B. Dollar weighted yield to maturity of the City's investments.
- C. Maturity schedule by type, of each of the City's investments.
- D. Statement of compliance of the portfolio to the City's adopted Investment Policy or manner in which the portfolio is not in compliance.
- E. Quarterly statement denoting the ability to meet the City's scheduled expenditure requirements for the next three months.
- F. Market value, book value and par value of all investments.
- G. Rates of interest on investments and accrued interest earned on the portfolio.
- H. Quarterly Summary of the prevailing economic indicators and likely economic conditions for the next 90 days.
- I. Likely investments to be acquired during the next 90 days.

Sec. 7.19 Investment Policy Adoption

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The Investment Policy Guidelines of the City of California City shall be adopted by resolution of the City's legislative authority. The policy shall be reviewed at the beginning of each fiscal year, in July, by the City Council and any modifications made thereto must be approved by the City Council.

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Appendix - A
Description of Authorized Investments and Restrictions

The following descriptions of authorized investments are included here to assist in the administration of this policy.

Local Agency Investment Fund (LAIF)

The Local Agency Investment Fund (LAIF) is a special fund in the California State Treasury created and governed pursuant to Government Code Sections 16429.1 *et seq.* This law permits the City, with the consent of the City Council, to remit money not required for the City's immediate need to the State Treasurer for deposit in this special fund for the *purpose* of investment. LAIF currently limits investments to \$40 million from any one City. Principal may be withdrawn on one days notice. The fees charged by LAIF are limited by Statute. (Legal Authority - Government Code Section 16429.1)

County Pooled Investment Funds

The County Pooled Investment Fund is a special fund authorized by Government Code Section 53684 that allows investment in investment pools run by different counties within California. This law permits the City, with the consent of the City Council, to remit money not required for the City's immediate need to county run investment pools for deposit in this special fund for the *purpose* of investment.

Securities of the U.S. Government including U.S. Government Agencies and Instrumentalities

These obligations can be classified either as "Treasuries" or "Agencies" (Legal Authority- Government Code Sections 53601(b) and 53635 (b)). Treasury securities are obligations of the United States Treasury backed by the "full faith and credit" of the Federal government and can be of three types: bills, notes, and bonds. There is no percentage limitation on the funds that can be invested in this category, however a five-year maturity limitation is applicable.

The City can invest in obligations issued by Federal Government agencies and Government Sponsored Enterprises (U.S. Instrumentalities) such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FI-ILMC). Such securities are obligations of the agencies themselves, but there is also an implied guarantee by the United States Government. All such obligations qualify as legal instruments and are acceptable as security for City deposits. (Legal Authority - Government Code Sections 53601 (e))

Registered State Warrants or Treasury Notes or Bonds of the State of California

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These include bonds payable solely out *of* the revenues from a revenue-producing property owned, controlled, or operated *by* the state or *by* a department, board, City, or authority *of* the state. (Legal Authority - Government Code Sections 53601 (c))

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Bonds, Notes, Warrants, or Other Evidences of Indebtedness of Any Local City within the State of California

These include bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a California local City, or by a department, board, City or authority of such a local City. (Legal Government Code Sections 53601 (d))

Bankers Acceptance

The City may invest in Bankers Acceptances limited to banks rated a minimum of "A" by Moody's Investors Service and Standard & Poor's Corporation. The maximum investment maturity will be restricted to 180 days as per Government Code Section 53601(f). Maximum portfolio exposure will be limited to 40 percent. (Legal Authority-Government Code Sections 53601 (b))

Commercial Paper

Prime Commercial Paper with a maturity not exceeding 270 days from the date of purchase with the highest ranking or of the highest letter and numerical rating as provided for by the nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either A or B below:

- A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five hundred million dollars (\$500,000,000) and (3) have debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
- B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letter of credit or surety bonds and (3) have commercial paper that is rated "A-I" or higher, or the equivalent, by a NRSRO.

The City's aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio. (Legal Authority - Government Code Sections 53601 (g))

Negotiable Certificates of Deposit

Investments are limited to deposits issued by a nationally or state-chartered bank or a state or federal association (Government Code Section 53601(h)) with a minimum rating of "AA" as assigned by Moody's Investors Service and Standard and Poor's Corporation. Negotiable Certificates of Deposit shall not exceed 30 percent of the City's surplus money, which may be invested pursuant to this policy. As per section 53638 of the California Government Code, any

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deposit shall not exceed the total paid-up capital and surplus *of* any depository bank, nor shall the deposit exceed the total net worth *of* any institution. Maximum investment maturity is restricted to one year. Investments in Negotiable Certificates of Deposit prohibited by Government Code Section 53635 (h) shall *not* be made. (Legal Authority Government Code Section 53601 (h))

Time Certificates of Deposit

The City may invest in collateralized certificates *of* deposits issued by a state or nationally chartered bank, a state or federal association or a state or federal credit union (Government Code Sections 53601(h)). A written depository contract is required with all institutions that hold City deposits. Securities placed in a collateral pool must provide coverage for at least 110 percent *of* all deposits that are placed in the institution. Acceptable pooled collateral is governed by California Government Code Section 53651. Real estate mortgages are not considered acceptable collateral by the City, even though they are permitted in Government Code Section 53651(m). All banks are required to provide the City with a regular statement *of* pooled collateral. This report will state that they are meeting the 110 percent collateral rule (Government Code Section 53652(a)), a listing *of* all collateral with location and market value, plus an accountability *of* the total amount *of* deposits secured by the pool.

City funds shall be invested only in commercial banks and savings and loans rated "A" or better by Moody's or Standard and Poor's.

In the event that a bank does not meet the minimum ratings, a tri-party collateral arrangement may be substituted in lieu *of* a rating lower than "A". The third party institution must be acceptable to the City and have an account in the name *of* the City of California City. The market value *of* the collateral in the account must not fall below 110 percent *of* the value *of* the deposit(s) at any time. The securities in the account must conform to Government Code Section 53651 with the exception that real estate mortgages are not acceptable collateral. The City will maintain a first perfected security interest in the securities pledged against the deposit and shall have a contractual right to liquidation *of* pledged securities upon the bankruptcy, insolvency or other default *of* the counter party.

Deposits *of* up to \$100,000 are allowable in any institution that insures its deposits with the Federal Deposit Insurance Corporation, regardless *of* Moody's Investors Service or Standard and Poor's Corporation ratings. As per section 53638 *of* the California Government Code, any deposit shall not exceed the total paid-up capital and surplus *of* any depository bank, nor shall the deposit exceed the total net worth *of* any institution.

Maximum maturity is restricted to two (2) years. (Legal Authority - Government Code Sections 53651)

Repurchase Agreements

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A Repurchase Agreement is the purchase of a security pursuant to an agreement by which the counterparty will deliver the underlying security by book entry, physical delivery or by a third party custodial agreement. Repurchase Agreements shall have a maximum maturity of one year and shall not exceed 20 percent of the City's funds. The collateralization level for Repurchase Agreements shall be a minimum of 102 percent of the market value of the principal and accrued interest. The right of substitution will be granted provided that permissible collateral is maintained. In order to conform with the provisions of the Federal Bankruptcy Code that provides for the liquidation of securities held collateral for Repurchase Agreements, the only securities acceptable as collateral shall be securities that are direct obligations of and guaranteed by the United States Government, its Agencies or U.S. Instrumentalities with a maximum maturity of five (5) years. The City shall maintain a first perfected security interest in the securities subject to the Repurchase Agreement and shall have a contractual right to the liquidation of purchased securities upon the bankruptcy, insolvency or other default of the counter party. Repurchase Agreements may only be made with banks and primary dealers with which the City has entered into a Master Repurchase Agreement modeled after the Public Securities Associations' Master Repurchase Agreement. In all other respects, Repurchase Agreements shall conform to the restrictions set forth in Government Code Sections 53601 (i). (Legal Authority - Government Code Sections 53601 (i))

Medium Term Notes

Medium-term notes are obligations of a domestic corporation or depository institution having a rating of "A" or better by a nationally recognized rating service. Purchase of medium-term notes shall not have maturity in excess of five (5) years. (Legal Authority-Government Code Sections 53601(j))

Money Market Mutual Funds

Mutual funds qualifying for City investment must restrict their portfolios to issues approved by the same state investment statute that defines investment alternatives for cities. Additionally these mutual funds must adhere to Federal statutes regarding the size of the mutual fund and its safety, must attain the highest ranking of two of the three largest rating services and must retain an investment advisor registered with the Securities and Exchange Commission with not less than five (5) years experience investing assets of at least five hundred million dollars (\$500,000,000). The mutual funds must invest solely in investments, which the City itself could legally purchase. Investments in mutual funds shall not exceed 20 percent of the City's surplus fund. (Legal Authority-Government Code Section 53601(k))

Passbook Deposits

As authorized by Government Code Section 53637.

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Appendix B
Glossary of Cash Management Terms

Accrued Interest - Interest earned but not yet received.

Active Deposits - Funds which are immediately required for disbursement.

Amortization - An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Arbitrage - Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

Asked Price - The price a broker dealer offers to sell securities.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund features is expected to be outstanding.

Bankers Acceptance - A high quality, short-term money market instrument used to finance international trade. There has never been an instance of a failure to pay a banker's acceptance in full at its maturity date.

Basis Point - One basis point is one hundredth of one percent (.01).

Bid Price - The price a broker dealer offers to purchase securities.

Bond - A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Entry - The system maintained by the Federal Reserve, by which most money market securities are delivered to an investor's custodial bank. The Federal Reserve maintains a computerized record of the ownership of these securities and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment).

Book Value - The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker - Someone who brings buyers and sellers together and is compensated for his/her service.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

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Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit - Commonly known as "CD's." A deposit of funds for a specified period of time that earns interest at a specified rate. Maturities range from a few weeks to several years. Interest rates are set by the competitive market place.

Collateral - Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Commercial Paper - Short-term, negotiable unsecured promissory notes of corporations.

Comprehensive Annual Financial Report (CAFR) - The official annual financial report for the City. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon - The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis - A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custodian - A bank or other financial institution that keeps custody of stock certificates and other assets.

Defeased Bond Issue - Issues that have sufficient money to retire outstanding debt when due so that the City is released from the contracts and covenants in the bond document.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for

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the securities.

Derivative - Securities that are based on, or derived from, some underlying asset, reference date, or index.

Discount - The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification - Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Fed Wire - A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank, which guarantees deposits to a set limit (currently \$100,000) per account.

Federal Reserve System - The central bank of the U.S. which consists of a seven member Board of Governors, 12 regional banks and 5,700 commercial banks that are members.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Government Accounting Standards Board (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

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Guaranteed Investment Contracts (GICS) - An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

Inactive Deposits (Idle Funds) - Funds not immediately needed for disbursement.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Interest Rate Risk - The risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Agreements - An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Investment Company Act of 1940 - Federal legislation which sets the standards by which investment companies such as mutual funds are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the independent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating City.

Lehman 1 - 3 Year Government Index - Represents all U.S. Treasury securities with maturities ranging from 1-3 years.

Liquidity - An asset that can easily and rapidly be converted into cash without significant loss of value.

Local Agency - county, city, city and county, including a chartered city or county, a community college district, or other public agency or corporation in this state.

Local City Investment Fund (LAIF) - A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

Local City Investment Pool - A pooled investment vehicle sponsored by a local City or a group of local agencies for use by other local agencies.

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Mark-to-Market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security. The price at which a security is trading and could presumably be purchased or sold.

Maturity - The date upon which the principal or stated value of an investment becomes due and payable.

Modified Duration - A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100 basis point change in the securities' (portfolio's) yield.

Moody's - Moody's Investment Service, Inc. One of the three best-known rating agencies in the United States, the others being Standard and Poor's Corporation (S&P) and Fitch IBCA, Inc. (Fitch).

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Funds - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, and management, and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus, which is updated and filed by the SEC annually.

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National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets, which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below) $[(\text{Total assets}) - (\text{Liabilities})] / (\text{Number of shares outstanding})$

Negotiable Certificate of Deposit - A large denomination certificate of deposit, which can be sold in the open market prior to maturity.

New Issue - Term used when a security is originally "brought" to market.

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

New Issue - Term used when a security is originally "brought" to market.

No Load Fund - A mutual fund, which does not levy a sales charge on the purchase of its shares.

Note - A written promise to pay a specified amount to a certain entity on demand or on a specified date.

Par Value - The amount of principal, which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

Perfected Delivery - Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio - Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Primary Dealer - A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Prime Rate - A preferred interest rate charged by commercial banks to their most credit worthy

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customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument, or the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements also known as an "official statement".

Prudent Investor Standard aka as Prudent person Rule - A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - A transaction where the seller agrees *to* buy back from the buyer (City) the securities at an agreed upon price on demand *or* at a specified date.

Reverse Repurchase Agreement (REVERSE REPO) - A transaction where the seller (City) agrees to buy back from the buyer the securities at an agreed upon price on demand or at a specified date.

Risk - Degree *of* uncertainty of return on an asset.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds *<*:0 maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value *of* one dollar (\$1.00).

Rule G-37 of the Securities Rulemaking Board - Federal regulations to sever any connection between the making of political contributions and the awarding *of* municipal securities business.

Safekeeping - Holding *of* assets (e.g., securities) by a financial institution.

Safekeeping Service - Offers storage and protection *of* assets provided by an institution serving as an agent.

Policy Title: Annual Investment Policy
Policy Number: Financial Management Policy 7

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market - A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission (SEC) - The federal City responsible for supervising and regulating the securities industry.

Settlement Date - The date on which a trade is cleared by delivery of securities against funds.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money, accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Standard and Poor's Corporation (S&P) - One of the three best known rating agencies in the United States, the others being Moody's Investment Service, Inc. and Fitch IBCA, Inc. (Fitch).

Swap - Trading one asset for another.

Tax and Revenue Anticipation Notes (TRANS) - Notes issued in anticipation of receiving tax proceeds or other revenues at a future date.

Term Bond - Bonds comprising a large part or all of a particular issue, which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Time Certificate of Deposit - A non-negotiable certificate of deposit, which cannot be sold prior to maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. $(\text{Price Appreciation}) + (\text{Dividends paid}) + (\text{Capital gains}) = \text{Total Return}$.

Treasury Bills - U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

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Trustee or trust company or trust department of a bank - A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

Underwriter - A dealer which purchases a new issue of municipal securities for resale.

U.S. Government Agencies - Instruments issued by various U.S. Government Agencies most of which are secured only by the credit worthiness of the particular City.

U.S. Treasury Obligations - Debt obligations of the United States Government sold by the Treasury Department in the form of Bills, Notes, and Bonds. Bills are short-term obligations that mature in one year or less and are sold on the basis of a rate of discount. Notes are obligations, which mature between one (1) year and ten (10) years. Bonds are long-term obligations, which generally mature in ten (10) years or more.

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

Yield - The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity - The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve - A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

Policy Title: Payroll

Policy : Payroll Policies and Procedures

Personnel Requirements

8.00 Purpose and Background

To ensure that all information processed through the payroll system is authorized at the appropriate level and is supported by written documentation.

8.01 Policy

To establish specific hiring and appropriate payment procedures.

8.02 Procedures

New Employee

8.02.01 New employees shall receive an orientation within first day of work by the Human Resources Department.

8.02.02 A Personnel Action Notice is completed by the Account Clerk III/Payroll. The form is approved and signed by the Department Head and City Manager.

8.02.03 The employee will complete all of the applicable forms in the Employee Orientation package as well as an Employee emergency information. Copies are given to Payroll for the employees benefit file.

8.02.04 The Employee Forms, Hiring Checklist and supporting documentation will be retained by the Human Resources Department for approval and filing.

8.02.05 After all documents have been signed, a personnel file is created, and the employee is set up in the Payroll system. Documents are filed in the employee's personnel file.

8.03 Termination

8.03.01 The Department Director may recommend to the City Manager that an employee is to be terminated, for cause, from probation, or any other action. All applicable provisions in the City Personnel Rules and Regulations regarding due process/progressive discipline shall be followed.

8.03.02 The Personnel Action Notice is completed by the Account Clerk III/Payroll. The Department Head and City Manager sign the Personnel Action Notice.

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8.03.03 Personnel Action Notice is filed in employee's personnel file and a copy is forwarded to the Payroll Department.

8.03.04 Payroll Department prepares final paycheck and calculates any accrual balance due the employee. Final check will be signed and forwarded to Human Resources or Department Head of discussed employee.

8.03.05 The City Manager and/or the Human Resources Department will conduct an exit interview with the employee and will ensure that all keys and/or City property have been returned, and petty cash and travel advances have been cleared, if applicable.

8.03.06 Cobra information is sent to the ex- employee upon termination.

8.04 Payroll Changes

Changes to existing data will be initiated when the appropriate form is submitted to the Payroll Office. The City uses the following forms to process payroll changes:

8.04.01 Employee Personal Action Notice – Used primarily for changes in employee's status or pay rate.

8.04.02 Change of Address Form.

8.04.03 Health and Welfare Benefit Enrollment Form – For electing insurance options.

8.04.04 IRS Form W-4 – Used for changes to tax withholding status (form processed by Payroll Department only).

8.04.05 Direct Deposit Authorization Form – To set an employee up for automatic payroll check deposit (processed by Payroll Department only).

8.04.06 457 distributions are made through the Payroll Department

8.05 Timekeeping and Labor Distribution

8.05.01 Purpose To ensure that payment for salaries and wages are made in accordance with documented time records and that employee time is properly allocated.

8.05.02 Policy Each new employee will receive an orientation program on proper timekeeping and labor charging practices.

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8.05.03 Labor hours will be accurately recorded and any corrections to timekeeping records, including the appropriate authorizations and approvals, are documented. All labor transfers or adjustments of the labor distribution are documented and approved. The employee's overtime will be approved in advance by his/her supervisor and Department Director, an overtime form will be signed by the supervisor.

8.05.04 Procedure

Timesheet Preparation

8.05.04.01 Each employee will submit a timecard on a biweekly form (from the 1st Tuesday to 2nd Monday). The timesheet is dated with the payroll start/end date and signed in ink by the employee and his/her immediate supervisor.

8.05.04.02 Any changes to the timesheet will be made in ink by crossing out the error and initialing.

8.06 Labor Distribution

The cost center(s) to which an employee's wages and benefits will be allocated has been pre-established at the beginning of the budget process for each fiscal year. However, any employee working on special projects must indicate the hours worked on the employee's timecard.

8.07 Payroll Processing

Procedure

8.07.01 Recorded hours are keyed from the approved timecard or normal hours for an exempt employee and summarized onto the pre-list printout from Caselle and the totals are then input into the payroll software by the Account Clerk III/Payroll. Additionally, any retroactive pay increases or other pay amounts are entered into the program.

8.07.02 Overtime must be approved by the department head/supervisor in writing before it is given to the Employee. All department heads sign the employee timecards.

8.07.03 Pay data pre-register is run and batch totals are compared to the timecards and pre list.

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8.07.04 The Preliminary Detail Register is reviewed by Finance Director prior to final payroll process.

8.07.05 Upon approval, all payroll reports are printed.

8.07.06 Final payroll reports and batch totals are reviewed and approved by the Finance Director.

8.07.07 Payroll is processed and checks are printed on site by the Account Clerk III/Payroll using the program Caselle.

8.08 Payroll Payment

8.08.01Purpose To ensure payment for salaries and wages are made only to employees entitled to receive payment.

8.08.02Procedure

8.08.02.01 Payroll Direct Deposit is sent to the Bank of the Sierra on Wednesday prior to Friday payroll.

8.08.02.02 The Finance Department distributes the checks from the Account Clerk III/Payroll Clerks office. The department supervisor, representative or employee who picks up the checks is required to sign a distribution log confirming they picked up the checks.

8.09 Payroll Deductions

8.09.01 Purpose To ensure that payroll deductions are authorized and paid to the appropriate third parties.

8.09.02Policy Employees checks with payroll deductions will be different from those who make payments of payroll deductions to third parties and review payroll deduction payments to third parties. Payroll deductions will be recorded in appropriate accounts and reconciled with payments made to third parties.

8.09.03 Procedures

8.09.03.01 After payroll has been processed, an edit list of all deductions is generated and reviewed. The deductions are set up on a recurring voucher through payroll. A

Policy Title: Payroll

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deduction report is generated for each payee, which is used as supporting documentation for the check.

8.09.03.02 Payments are processed through the Payroll System. Once payroll is closed and updated to the general ledger, the general ledger control accounts will be analyzed monthly and reviewed by the Finance Director.

8.09.03.03 Deductions mandated by federal or state agencies or a court of law will be processed in the above manner. The employee will receive a copy of the withholding order, if applicable. The deduction will be set up for either a flat dollar amount or percentage. An accumulator will track the deductions and will indicate when the required dollar amount has been withheld. Once a deduction meets the specified requirements, withholding will be discontinued.

8.09.03.04 Employees who choose direct deposit for their paychecks will complete a Direct Deposit Authorization Form and forward it to Payroll. Direct Deposit will commence 1st payroll cycle after Direct Deposit is received to allow for verifying the pre-note.

8.10 Payroll Taxes

The Finance Department is responsible for ensuring that all required tax forms are properly completed and submitted, and that all required taxes are withheld and paid. Payroll taxes are paid on pay dates through the Bank of the Sierra.

Policy Title: Travel Policy Statement
Policy : Accounting Policies and Procedures Manual

9.00 Purpose and Background

To set forth the policy for official City travel for reimbursement of expense incurred by City Council members, appointed officials, members of special boards, commissions, committees, and employees while traveling overnight on official City business. This policy shall not apply for commuter (local) training seminars and local City business expenses, nor is it intended to supersede P.O.S.T. reimbursable travel policies established by the State of California. The governing rule for all City travel expenses shall be availability, economy, convenience, and propriety.

9.01 Travel Policy

9.01.01 The City shall provide reimbursement for expenses directly related to attendance at approved conferences, seminars, meetings, and other official functions/purposes.

9.01.02 Official travel is planned, approved, budgeted, and controlled at the Department level, except in specific cases described below.

9.01.03. Authorized travel approved in the annual budget requires no further approval beyond the department level. If, however, it becomes apparent that the total travel cost will exceed the budget estimate, the approval of the Finance Director must be obtained.

9.01.04 Unbudgeted, unplanned travel requests shall be submitted by the Department Head to the Finance Director who will forward the requests to the City Manager for approval. Such requests shall include the proposed funding source for the travel (other travel cancelled, reprogramming of other funds within the department, etc.).

9.01.05 The City Manager shall adopt and enforce administrative procedures that assure that all City authorized travel is:

9.01.05.01 Paid directly by the City or reimbursed to the traveler based on actual, itemized expenses or should be covered by per diem payment.

9.01.05.02 The City's per diem rate for Meals and Incidental Expenses (M&IE) shall be equal to the U.S. General Services Administration's (GSA) M&IE rates.
(www.GSA.gov)

9.02 Procedure

9.02.01 Each Department Head shall include all planned trips in the Department's annual budget requests. The Travel Authorization Form shall be used as a planning/cost estimation guide. For unbudgeted, unplanned travel, the same form shall be prepared at the time travel is requested.

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Policy : Accounting Policies and Procedures Manual

9.02.02 All requests for travel advances shall include the original Travel Authorization Form signed by the Department Head.

9.02.03 The Travel Expense Claim Form shall be used to file the final travel claim with the Finance Director. A copy of the Travel Authorization Form must be attached.

9.02.04 The Finance Department shall make a record of all travel payments on the original Travel Authorization Form.

9.03 Continuity of City Government Policy

With the advent of different modes of rapid transportation, there is the possibility of accidents injuring or killing several people simultaneously. Since Council Members are required to attend conferences, conventions and meetings outside City Hall, it is desirable to require that whenever possible, no more than two members of the City Council use the same transportation at the same time.

When it comes to the Council's attention that a conference, convention, or meeting in which transportation is required, Council Members shall make an effort to arrange their itinerary so that no more than two members of the City Council use the same transportation. The City Clerk shall be utilized to provide alternate travel arrangements where necessary in order to comply with this policy.

This policy will help insure that there will be a continuity of City government and that there is always a majority of Council members capable of fulfilling the responsibilities placed upon them by the City.

In addition, the City Manager, Department Heads and other key personnel should use the same guidelines in traveling separately on official business wherever practicable.

Policy Title: Travel Policy Statement
Policy : Accounting Policies and Procedures Manual

Instructions – Filling Out Travel Forms

- Before travelling, fill out a Travel Authorization Form (name, division, location of travel, purpose, dates, etc.).
- If travelling employee would like to receive an Advance of Payment, indicate such on the Travel Authorization Form. (Use if receiving an advance for per diem, hotel, etc.).
- An employee can request per diem or submit actual receipts for their expenses. The per diem calculations are available at: www.GSA.gov/perdiem Use this site to locate the per diem rate for the primary destination.
- Find the STATE where the trip will be – review the list of Cities and corresponding Meal & Incidental Expenses (M&IE) rate, please note, M&IE rate for FIRST and LAST day is 75% of the full day rate
 - Example: for Monterey, CA – full day per diem \$64.00, First and Last day rate \$48.00 (75%). If travelling for only two days then the rate is 75% of the full day per diem for each of the days.
- If some meals are included in the conference or seminar registration cost, you can calculate the correct per diem by using the breakdown of the per diem amount. Click on Meals & Incidental Expenses Breakdown, refer to **Section 301-11.18 of the Federal Travel Regulation** (Highlighted Text in paragraph).
 - Example: Breakdown for \$64.00 per diem amount is: Breakfast \$12.00, Lunch \$18.00, Dinner \$31.00 plus \$3.00 incidental expense. If a meal is included with the seminar or class, deduct that meal's rate and claim the balance.
- Enter Per Diem rates on Travel Authorization Form in addition to all other expenses, sign, date, and route to Accounts Payable.
- After travel is completed, fill out the Travel Expense Claim Form within 10 days, listing ALL expenses incurred for the travel. Indicate the method of payment for each expense. Attach all receipts and route to Accounts Payable.
 - If no reimbursement is required, submit Travel Expense Claim Form with receipts and indicate "No Reimbursement Required"

Policy Title: Cash Receipts Policy and Procedures
Policy : Accounting Policies and Procedures Manual

10.00 Purpose and Background

10.00.01 All cash receipts will be deposited at a minimum of an every other business day basis (assuming we have full staff on that day).

10.00.02 To ensure amounts received are deposited timely and and are recorded in the proper bank account and general ledger accounts(s). Appropriate internal controls are crucial to reduce the potential for errors and omissions, safeguard the assets of the City and provide reasonable assurance of the reliability of the financial records.

10.01 Cash Received at City Hall

10.01.01 Checks are stamped on the reverse as "For Deposit Only"

10.01.02 The Accounting Clerk indicates the coding on the remittance advice and posts the receipts to either the subsidiary ledger (utility payments or A/R payments) or the general ledger. The Accounting Clerk then prepares an adding machine tape of the checks and affixes it to the checks.

10.01.03 Cash receipts that are received by the Finance Office are stored in the safe.

10.01.04 Accounts receivable is validated and posted daily.

10.01.05 Cash, Checks and Credit Card transactions are reconciled to the deposit documentation, the next business day, for verification by the treasurer or designee for deposit.

10.01.06 Receipts provided by the finance department are given to customers in numeric order for ease of reconciliation.

10.02 Cash Received at the Programs

Cash provided to City Hall by the Police Department: (all funds to include OHV, PD Records and Warrant monies).

10.02.01 Cash and checks are provided to the City Treasurer or designee by PD personnel in sealed plastic money bags.

10.02.02 All cash is counted by the Treasurer and validated by PD personal; entries are made in a finance log as well as a police department furnished log.

10.02.03 Treasurer places all cash receipts and supporting documentation into a blue money bag and provides the bag to finance for processing into Caselle.

10.02.04 Finance provides receipts to the police department after processing.

Policy Title: Cash Receipts Policy and Procedures
Policy : Accounting Policies and Procedures Manual

10.02.05 Cash received is combined with other monies received and deposited into the general account the next business day.

Cash provided to City Hall by the Parks and Recreation:

10.02.06 Cash and checks are provided to the Finance Department by the Park and Recreation personnel in money bags or envelope. Monies are carried in during business hours. If money is left by Park and Recreation after hours it is placed in the drop box and a voice mail is left regarding the amount.

10.02.07 All cash is counted by the Finance Department; entries are made in a Finance log book and initialed by the both department's staff.

10.02.08 Finance department processes payment(s) into Casselle. All cash receipts and supporting documentation are filed in the finance office.

10.02.09 Finance provides receipts to the Park and Recreation department after processing.

10.02.10 Cash received is combined with other monies received and deposited into the general account the next business day.

Cash provided to city hall by the Dial a Ride:

10.02.11 Cash and checks are provided to the Finance Department by Dial-A-Ride in money bags. Monies are carried in during business hours.

10.02.12 All cash is counted by the Finance Department; entries are made in a Finance log book and initialed by the both department's staff.

10.02.13 Finance department processes payment(s) into Casselle. All cash receipts and supporting documentation are filed in the finance office.

10.02.14 Finance provides receipts to the Dial-A-Ride after processing.

10.02.15 Cash received is combined with other monies received and deposited into the general account the next business day.

Reconciliation of Bank Deposits

On a monthly basis, the accountant, who does not prepare the initial cash receipts listing of bank deposit, shall reconcile the listings of receipts to bank deposits reflected on the monthly bank statement. Any discrepancies shall be immediately investigated and reported to the Finance Director, City Treasurer, and City Manager.

Policy Title: Fiscal Year – End Closing Procedures
Policy : Accounting Policies and Procedures

11.00 Purpose

To ensure the accuracy of financial reports and reports.

11.01 Policy

This policy applies to the preparation of the year-end financial statements which are provided to our independent auditing firm.

11.02 General Provisions

11.02.01 All City bank statements will be reconciled to the general ledger. In addition, a thorough analysis will be made of all City investment accounts and reconciled to the general ledger.

11.02.03 Prepaid accounts (prepaid insurance, prepaid rents, etc.) will be recorded as an asset and be allocated the following fiscal year.

11.02.04 A physical count will be taken for the City's office supplies and water meters at June 30, 20xx and the inventory accounts will be adjusted accordingly to reflect the actual inventory count at year-end.

11.02.05 Fixed assets, including land, building, machinery and equipment, with an acquisition cost of \$5,000 or more and a life of 5 years, will be subject to accounting and reporting (capitalization). The straight line method of depreciation will be used to record annual depreciation. In addition, finance will work with the management on an annual basis to insure that the fixed asset listing only reflects those assets that are in working order.

11.02.06 The City's finance department will record the annual accruals for accounts receivable, state distributions due, federal distributions due, interest receivable due, and any other receivables that may apply.

11.02.07 The City's finance department will also record the annual accruals for accounts payable, interest payable, and any other payables that may apply.

Policy Title: Fiscal Year – End Closing Procedures
Policy : Accounting Policies and Procedures

11.02.08 Compensation balances for unused vacation and sick leave benefits (vested) are accrued when incurred in the government-wide financial statements. Vacation pay is payable to employee at the time a vacation is taken or upon termination of employment. Upon termination an employee will be paid for one-half of any unused sick leave. The vested portion of these compensated absences is accrued at June 30, 20xx.

11.02.09 A liability will be set up for those salary and benefits payable at the end of the fiscal year. For example, if a city employees works in the prior year and is paid the following (new) year, a liability will be set up to account for those salary and benefits incurred in the old year. This accounting practice is referred to as accrued payroll.

11.03.10 Debt Service Funds: Debt service funds are to be adjusted annually to reflect the principal payments made on long-term debt financing.

11.03.11 The City's finance department will also record and reconcile all inter-fund receivables, payables, and inter-fund transfers.

11.03.12 During the year and also as part of the fiscal year-end process, finance will insure that all journal entries have appropriate back up to substantiate the entry (s).

11.03.13 The City's finance department will be responsible to insure that all applicable governmental accounting standard board (GASB's) and other legal requirements are complied with and are properly reflected in the annual audited financial statements.